

REPORT OF THE COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND HUMAN SERVICES

Voting Members

Kymberly Marcos Pine, Chair; Breene Harimoto, Vice-Chair,
Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held
July 24, 2014

Honorable Ernest Y. Martin
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Intergovernmental Affairs and Human Services, which considered Resolution 14-128 entitled:

"RESOLUTION AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO APPLY FOR FUNDS FROM THE STATE OF HAWAII RELATING TO FEDERAL-AID HIGHWAY PROGRAMS FOR CITY PROJECTS AND PROGRAMS BETWEEN THE CITY AND COUNTY OF HONOLULU (CITY) AND THE STATE OF HAWAII, DEPARTMENT OF TRANSPORTATION (STATE) AND TO ENTER INTO THE STATE-COUNTY MEMORANDUM OF AGREEMENT WITH THE STATE,"

introduced on June 4, 2014 and transmitted by Communication D-426 from the Department of Transportation Services, dated May 28, 2014, reports as follows:

The purpose of the Resolution is to authorize the Mayor or the Mayor's designee to apply for State funds relating to federal-aid highway programs and enter into the State-County Memorandum of Agreement.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON

AUG 13 2014

COMMITTEE REPORT NO.

229

REPORT OF THE COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND HUMAN SERVICES

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Kymberly Marcos Pine, Chair; Breene Harimoto, Vice-Chair,
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Your Committee amended the Resolution to a CD1 version that makes the following changes:

- A. Amends the title of the Resolution to authorize only the entry into the intergovernmental agreement, since the application for funds will be subject to Council approval by subsequent resolutions.
- B. Adds a new BE IT RESOLVED paragraph approving the Memorandum of Agreement attached as Exhibit 1.
- C. Adds a new BE IT FURTHER RESOLVED paragraph requesting the Director of Transportation Services to transmit a copy of the executed Memorandum of Agreement to the Council.
- D. In Section 3 of the proposed Agreement attached as Exhibit 1, replaces an erroneous reference to "APPENDIX J" with the correct reference to "APPENDIX K."
- E. Adds as Appendix K to the proposed Agreement a copy of the Letter of Agreement and Stewardship Plan referred to in the Agreement.
- F. Makes miscellaneous technical and nonsubstantive amendments.

The Director of Transportation Services testified in support of the Resolution and the CD1 version.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON AUG 13 2014

COMMITTEE REPORT NO. 229

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Your Committee on Intergovernmental Affairs and Human Services is in accord with the intent and purpose of Resolution 14-128, as amended herein, and recommends its adoption in the form attached hereto as Resolution 14-128, CD1. (Ayes: Pine, Fukunaga, Harimoto, Kobayashi, Manahan - 5; Noes: None.)

Respectfully submitted,


Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON AUG 13 2014

COMMITTEE REPORT NO. 229



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 14-128, CD1

RESOLUTION

AUTHORIZING THE MAYOR OR MAYOR'S DESIGNEE TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY AND COUNTY OF HONOLULU (CITY) AND THE STATE OF HAWAII (STATE) RELATING TO CITY FEDERAL-AID HIGHWAY PROJECTS AND PROGRAMS.

WHEREAS, Chapter 1, Article 8, Revised Ordinances of Honolulu 1990, as amended, requires that any intergovernmental agreement or any amendments thereto which places an obligation upon the City or any department or agency thereof shall require prior City Council consent and approval; and

WHEREAS, Title 23, United States Code, and other related federal laws authorize federal funds to carry out federal-aid highway programs for City projects; and

WHEREAS, the State, as the grantee of federal highway transportation funds, is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the State provides federal highway transportation funds to the City to carry out federal-aid road projects, it is the responsibility of the State to ensure that the City is aware of all federal and state laws and regulations that apply to the project and that the City complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the City recognizes that to be eligible to receive such federal transportation funds from the State, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the State; and

WHEREAS, the City and the State desire to enter into a Memorandum of Agreement in substantially the form attached hereto as Exhibit 1 and incorporated herein by this reference in order to set forth each party's respective responsibilities with respect to eligible City projects or activities financed with federal-aid funds under Title 23, United States Code, or non-Title 23 projects financed with federal discretionary (earmarked) funds; and

WHEREAS, this Agreement will involve certain obligations upon the City, and may require the City to provide local share of costs; and

WHEREAS, this Agreement replaces and updates the 1973 State-County Memorandum of Agreement Implementation of Secondary Road Plan Projects; and



RESOLUTION

WHEREAS, this Agreement mutually benefits the State and City by providing consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of the State and City; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the State-County Memorandum of Agreement for Implementation of County Federal-Aid Highway Projects and Programs, attached hereto as Exhibit 1, is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor or his designated representative is hereby authorized to:

1. Execute the Memorandum of Agreement on behalf of the City in substantially the form attached hereto as Exhibit 1;
2. Execute any incidental or related agreements and documents in furtherance of the above Agreement so long as such agreements and documents do not incur additional obligations on the part of the City; and
3. Make minor or editing changes, provided that no substantive additions or deletions are made;

and

BE IT FURTHER RESOLVED that the Director of Transportation Services is requested to transmit a copy of the executed Memorandum of Agreement to the Council immediately following execution; and



RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor, the Director of Transportation Services, and the Director of Transportation, State of Hawaii, Department of Transportation, 869 Punchbowl Street, Room 509, Honolulu, Hawaii 96813.

INTRODUCED BY:

Ernest Martin (BR)

DATE OF INTRODUCTION:

June 4, 2014
Honolulu, Hawaii

Councilmembers

**STATE-COUNTY MEMORANDUM OF AGREEMENT
IMPLEMENTATION OF COUNTY FEDERAL-AID HIGHWAY PROJECTS AND
PROGRAMS**

This AGREEMENT, made and entered into this ____ day of _____, 20____, by and between the State of Hawaii by its Governor, hereinafter referred to as the "STATE", and the City and County of Honolulu, County of Hawaii, the County of Maui, and the County of Kauai, individually hereinafter referred to as the "COUNTY", hereinafter collectively referred to as the "PARTIES."

WITNESSETH THAT:

WHEREAS, Title 23, United States Code ("Title 23") and other related federal laws authorize federal funds to carry out Federal-aid highway programs for COUNTY Federal-aid roads; and

WHEREAS, the STATE, as the grantee of federal transportation funds for the State of Hawaii ("SOH"), is responsible for ensuring that all such federal transportation funds are expended in accordance with applicable laws and regulations; and

WHEREAS, when the STATE passes federal transportation funds through to a subgrantee COUNTY to carry out a federal-aid road project, it is the responsibility of the STATE to ensure that the subgrantee is aware of all federal and state laws and regulations that apply to the project and that the subgrantee complies with them in order not to jeopardize federal and/or local funding; and

WHEREAS, the PARTIES to this AGREEMENT deem it desirable to use such funds to undertake improvements on such COUNTY roads; and

WHEREAS, the COUNTY recognizes the benefits that the Federal-aid highway programs will provide; and

WHEREAS, the COUNTY recognizes that to be eligible to receive such federal transportation funds from the STATE as a subgrantee, it must comply with all federal and state laws and is subject to complying with such conditions and requirements that may be placed upon it by the STATE; and

WHEREAS, the PARTIES recognize the benefits of this AGREEMENT which provides: consistent guidelines, procedures, and processes; identification of requirements; and defines the roles and responsibilities of each party.

NOW, THEREFORE, in consideration of the benefits to be obtained from the various Federal-aid highway programs, the PARTIES do hereby mutually agree as follows:

SECTION 1 - AGREEMENT. The PARTIES agree to enter into this AGREEMENT to proceed in full accord with its provisions in the implementation of COUNTY Federal-aid projects for eligible roads and activities. The provisions of this AGREEMENT shall apply to eligible COUNTY projects or activities financed with Federal-aid funds under Title 23, or non-Title 23 projects financed with federal discretionary (earmarked) funds.

SECTION 2 – COUNTY’S RESPONSIBILITY. The COUNTY is responsible to provide administrative personnel and technical supervision to insure that the initiation, development, implementation, and performance reporting of all eligible activities financed by federal transportation funds under this AGREEMENT are done in conformance with: all applicable federal laws, regulations, policies, circulars and standards prescribed by the Federal Highway Administration (“FHWA”) or the United States government; all applicable SOH laws, rules, policies and standards; all applicable COUNTY ordinances and regulations; and all procedures, specifications or other documents approved by the STATE and/or FHWA. Eligible activities include, but are not limited to the following activities of COUNTY federal-aid projects: planning, environmental, design, rights-of-way (“ROW”), utility adjustments and accommodations, equal employment opportunity, labor provisions, accounting procedures, public hearings, and construction administration.

SECTION 3 – STATE’S RESPONSIBILITY. The STATE is responsible to the federal government for the administration of Federal-aid projects and programs and will review, advise, approve, and assist the COUNTY with conformance to STATE and FHWA procedures. The STATE may provide technical support to the COUNTY in the form of training, reviews and procedures, and will process approval requests in a reasonably timely manner as to not unreasonably delay COUNTY projects as required on behalf of the COUNTY.

Delegation of certain Title 23 approval actions to the STATE are specified in the LETTER OF AGREEMENT AND STEWARDSHIP PLAN (STEWARDSHIP AGREEMENT) between the STATE and FHWA attached in APPENDIX K for reference. COUNTY projects or activities may fall under the oversight of the STATE and/or FHWA, depending on the scope, size, financing method, contracting method, risk, or unusual circumstances and will be subject to the appropriate approval actions by the STATE and/or FHWA.

Interim procedures to implement this AGREEMENT are provided in the attached appendices to this AGREEMENT during the interim period when the Local Public

Agency Manual ("LPA Manual") is being developed by the STATE.¹ Such interim procedures shall apply until replaced by written agreement of the PARTIES to replace the same by the LPA Manual.

SECTION 4 – POINTS OF CONTACT. The COUNTY shall designate a qualified full-time public employee to be responsible and serve as the overall Point of Contact ("POC") for federal undertakings conducted under this AGREEMENT. The designated COUNTY POC shall coordinate project development and implementation activities with the appropriate STATE POCs listed in APPENDIX A. The POC list in APPENDIX A shall be updated periodically as required due to changes in personnel or functions as required.

SECTION 5 – FEDERAL FUNDING LEVELS. The STATE, based upon anticipated annual apportionment of federal funds to the SOH and based on prevailing federal laws or regulations as applicable, shall establish a multi-year budgetary estimate of federal funds to be made available to the COUNTY. Federal funding levels will also consider historical amounts provided to the COUNTY; the COUNTY's past performance, current capacity, and ability to effectively deliver projects; and the COUNTY's priorities and needs. Based on the estimated federal funding levels and the COUNTY's ability to provide the local matching funds, the COUNTY will develop and submit a multi-year prioritized program of its needs. The PARTIES shall work collaboratively to develop a program that includes the COUNTY's prioritized projects into the fiscally constrained Statewide Transportation Improvement Program ("STIP") and/or Transportation Improvement Plan ("TIP") as described in SECTION 6 below.

To avoid lapsing of obligation authority and to provide the STATE adequate time to plan for and utilize such funds, the COUNTY shall strive to submit all projects for obligation no later than May 31st of any given Federal fiscal year. In the event the COUNTY is unable to submit all 100% plans, specifications or estimates ("PS&Es") by May 31st to fully obligate its share of funds for that Federal fiscal year, the STATE may reallocate such anticipated unobligated amounts after consultation with the COUNTY to other projects. The COUNTY shall endeavor to notify the STATE as early as possible regarding the possibility or certainty that the COUNTY will be unable to obligate its share of Federal funds.

SECTION 6 – PLANNING AND PROGRAMMING OF PROJECTS. With the exception of SOH planning and research² activities or emergency relief

¹ The LPA Manual developed by the STATE will provide detailed: instructions, procedures, samples and timelines for COUNTY to use and follow in implementing Federal-aid projects and ensuring that federal requirements are fulfilled.

projects³, all projects and/or programs must be listed on the STIP and/or TIP to be eligible to receive federal funds and before federal funds can be obligated.

In response to the STATE's call for projects in preparing the STIP, the COUNTY shall submit a multi-year prioritized program to the STATE identifying the proposed project(s) and/or programs being requested to be placed into the STIP. For the island of Oahu, appropriate coordination shall be made through the Oahu Metropolitan Planning Organization ("OMPO"). Prior to requesting inclusion of a project and/or program onto the STIP and/or TIP, the COUNTY shall ensure that the project and/or program is consistent with appropriate planning documents and that roadways are functionally classified as appropriate to be eligible for federal funds.⁴ Requests to include projects on roadways not yet functionally classified, but with active ongoing classification activities will be reviewed individually by the STATE and FHWA on a case-by-case basis.

Requests to include a new or modify, amend, delete or replace an existing project or program on the STIP and/or TIP shall be submitted to the STATE within the deadlines and format specified by the STATE (and to be specified in the LPA Manual). In addition, appropriate coordination for Oahu projects shall be made through OMPO.

For the development, update, or modifications to the STIP and/or TIP, the COUNTY shall work within federal funding levels provided for its program as described in SECTION 5 to maintain financial constraint. The COUNTY may elect to utilize Advance Construction described in APPENDIX B to maximize the use of funds, with the understanding of associated risks.

SECTION 7 – OBLIGATION OF FEDERAL FUNDS. Upon inclusion of applicable projects or programs in the STIP/TIP, the COUNTY will submit a request to the STATE to obligate federal funds. Obligation requests shall be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX C. The obligation amount represents FHWA's estimated share of eligible cost for the project (or program) and will be reflected in a Federal Project Agreement between the STATE and FHWA. To provide

² SOH planning and research ("SPR") activities is a program to research new knowledge areas; adapt findings to practical applications by developing new technologies; and transfer these technologies, including the process of dissemination, demonstration, training, and adoption of innovations by users. The use of SPR funds by States and subrecipients is regulated by Title 23 Code of Federal Regulations, Part 420.

³ Emergency relief projects are unplanned projects typically caused by natural disasters or sometimes man-made causes requiring immediate response, clean-up and restoration of affected roadways and highways. Some typical causes for emergency relief projects are: flooding events, earthquakes, rockfalls, or overpass damage by overheight freight movements.

⁴ Federal earmarking for projects by the U.S. Senate Appropriations Committee may sometimes waive certain Title 23 eligibility requirements such as functional classification. The STATE may assist the COUNTY in determining eligibility requirements.

flexibility and to maximize the use of federal funds, if permitted by County ordinances or policies, the COUNTY may request the use of advance construction as described in APPENDIX B.

All COUNTY Federal-aid projects must be authorized by FHWA by means of a signed project agreement before any costs incurred can become eligible federal participating activities. Costs incurred before authorization to proceed are not eligible for federal reimbursement.

Federal project agreement modification requests to obligate additional funds or deobligate (decrease) federal funds will be submitted by the COUNTY, then received and processed by the STATE in accordance with APPENDIX D.

SECTION 8 – PROJECT MANAGEMENT, CONSTRUCTION ADMINISTRATION, AND QUALITY ASSURANCE. For each project undertaken under this AGREEMENT, the COUNTY shall assign a qualified full-time COUNTY employee serving as project POC and responsible for the project overall on behalf of the County. The project POC shall be responsible for managing and monitoring the project to completion and closeout. The project POC shall report on the status of each phase of work to the STATE on a periodic basis as identified in accordance with APPENDIX E.

The COUNTY shall provide adequate resources to provide supervision, inspection, and materials sampling and testing for all construction projects under this AGREEMENT. Such activities may be performed by COUNTY forces or consultant services and shall be in accordance with APPENDIX J.

SECTION 9 – FEDERAL REIMBURSEMENTS. In an effort to ensure the expenditure of federal funds in a timely manner, the COUNTY shall endeavor to submit requests for reimbursements in accordance with APPENDIX F.

SECTION 10 – PROJECT CANCELLATIONS, WITHDRAWALS, “10-YEAR RULE”. If the COUNTY, during the course of implementing a project, elects to withdraw or cancel the project, the COUNTY shall reimburse all federal funds expended on that project. COUNTY reimbursements for cancelled or withdrawn projects shall be made in accordance with the process outlined in APPENDIX F. If the COUNTY elects to withdraw from further federal participation, but the County intends to complete the project using non-federal funds, a meeting shall be held between the COUNTY, STATE and FHWA in a timely manner to determine COUNTY reimbursement requirements.

In accordance with 23 Code of Federal Regulations (“CFR”) 630.112(c)(2), in the event that right-of-way acquisition or actual construction of the project has not

started by the close of the tenth (10th) fiscal year from which a project has been authorized for preliminary engineering, the COUNTY may be required to repay FHWA any reimbursed funds.

SECTION 11 – STATE’S REVIEW COSTS. The cost of services rendered by the STATE for the review of the COUNTY’s construction plans, specifications, estimates, environmental documentation, or other preconstruction work shall be reimbursed to the STATE by the COUNTY within 45 days upon receipt of invoice from the STATE. In addition to preconstruction work, the COUNTY shall reimburse the STATE for review and oversight administration of construction projects. Such reimbursements from the COUNTY will be processed in accordance with APPENDIX F.

SECTION 12 – DESIGN, CONSTRUCTION ADVERTISEMENT, AWARD AND NOTICE TO PROCEED. The COUNTY shall expeditiously undertake all design activities to meet schedules and goals in accordance with APPENDIX G.

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence. Upon receiving the STATE’s concurrence, the COUNTY shall expeditiously award and issue notice to proceed to the contractor. See APPENDIX J for interim procedures.

SECTION 13 – UTILITIES AND RIGHT OF WAY (“ROW”). Utility relocations and accommodations shall be in accordance with Hawaii Revised Statutes 264-33 and 264-33.5, and with Title 19, Subtitle 4, Chapter 105 - Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways, State of Hawaii dated May 30, 1981. Utility agreements, memorandum of agreements, memorandum of understanding, or letter of agreement, or other similar instruments as appropriate, shall be executed with the respective utility owners during the course of constructing, relocating, or removing utilities within the right-of-way and shall specify the terms of construction, use, occupancy and cost sharing.

ROW acquisitions, management, disposals and transfers shall be performed in accordance with 23 CFR Part 710 and 49 CFR Part 24 as outlined in APPENDIX I.

SECTION 14 – MAINTENANCE OF FEDERAL AID ROADWAYS.

Projects constructed with Federal-aid funds shall be maintained by the COUNTY in accordance with Section 116 of Title 23 and 23 CFR Section 1.27.

Preservation and use of these highway rights-of-way, including new utility installations, shall be in accordance with 23 CFR Section 1.23, and with the Accommodation and Installation of Utilities on State Highways and Federal-Aid County Highways described above. Such roadways shall meet standards and performance targets established under the new authorization act, Moving Ahead for Progress in the 21st Century (“MAP-21”).

SECTION 15 – RECONCILIATION OF EXPENDITURES AND

REIMBURSEMENTS. Upon completion of all programmed phases of a project using Federal-aid funds and final acceptance of work issued by the COUNTY, the COUNTY shall render a final financial statement to the STATE showing the final cost of planning, design, right-of-way acquisition, construction, and other incidental costs incurred and paid by the COUNTY and federal funds reimbursed to the COUNTY. The final financial statement shall clearly show the total cost, federal share, COUNTY’s share, and any other’s share of funds.

SECTION 16 – AUDITS, INDIRECT COST AND RECORDS RETAINAGE.

The COUNTY shall ensure that the single audit requirement for each fiscal year is met under the Office of Management and Budget (“OMB”) Circular A-133. A copy of the audit report and associated Management Letter⁵ comments (auditor to the COUNTY) shall be provided to the STATE. The COUNTY shall issue a management plan of action to address each Federal audit finding which requires corrective action or other response within six months after receipt of the audit report and ensure that appropriate and timely corrective action is taken. See APPENDIX F for interim procedures.

SECTION 17 – COMPLIANCE WITH LAWS. All PARTIES shall observe

and comply with all laws, ordinances, rules, and regulations now or hereafter made by the federal, state, and local governments with respect to actions performed in connection with this AGREEMENT. The PARTIES may voluntarily agree to more stringent requirements than those set by laws, however it is understood that such voluntary agreement may not be legally binding or enforceable.

SECTION 18– INDEMNIFICATION. The STATE shall be responsible to the extent permitted by law, for damages or injury caused by the STATE’S officers and employees in the course of their employment related to this

⁵ A Management Letter is a letter from the auditor to the auditee that highlights observations, findings and may provide recommendations. This letter typically accompanies the audit report.

AGREEMENT to the extent that the STATE'S liability for such damage or injury has been determined by a court or otherwise agreed to by the STATE, and the STATE shall pay for such damage and injury to the extent permitted by law, provided that funds are appropriated and allotted for that purpose.

The COUNTY shall cause its contractor and/or consultant to indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY's contractor and/or consultant occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY's contractor and/or consultant shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

For activities not performed by the COUNTY's contractor and/or consultant, the COUNTY shall indemnify, defend, and hold harmless the STATE and its officers, employees, and agents from and against actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs arising out of or resulting from the acts or omissions of the COUNTY, its officers, employees, or agents occurring during or in connection with the performance of services and obligations under this AGREEMENT provided that the COUNTY shall not be required to indemnify, defend, or hold harmless, the STATE, its officers, employees, and agents, from any actions, liabilities, claims, suits, damages, liens, judgments, attorney fees and costs when such arises out of the action or omission of the STATE and/or its officers, employees, and agents in conjunction with this AGREEMENT.

SECTION 19 – SEVERABILITY. If any provision of this AGREEMENT is judged by a court of competent jurisdiction to be void, invalid, illegal or unenforceable for any reason, the same shall in no way affect, to the maximum extent permissible by law, other provisions of this AGREEMENT, or the application of such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this AGREEMENT as a whole; and to the extent necessary, this AGREEMENT shall be construed as if the void, invalid, illegal or unenforceable provision had never been contained herein.

SECTION 20 – WAIVERS AND REVISIONS. Any waiver of the terms, conditions, or provisions of this AGREEMENT, or a party's right or remedies under this AGREEMENT, must be in writing to be effective. Waiver requests

shall be by letter from the COUNTY's Transportation Director (or equivalent) to the STATE's Director of Transportation.

Failure, neglect, or delay by a party to enforce the terms, conditions or provisions of this AGREEMENT or such party's rights or remedies at any time will not be construed as a waiver of such party's rights under this AGREEMENT and will not in any way affect the validity of the whole or any part of this AGREEMENT or prejudice such party's right to any subsequent action. No exercise or enforcement by any party of that party's rights or remedies under this AGREEMENT will preclude the enforcement by such party of any of its other rights or remedies available under this AGREEMENT or by law.

PARTIES may request proposed changes or updates to the various provisions contained in this AGREEMENT in writing. The STATE will review and consult with all other COUNTY as required, and if all PARTIES support and agree that such changes will result in mutual benefits to everyone, the PARTIES will amend this AGREEMENT to reflect such changes.

SECTION 21 – DISPUTE RESOLUTION. In the event any dispute arises between the COUNTY and the STATE concerning any aspect of this AGREEMENT, the COUNTY and the STATE will use their best efforts to address and resolve such disputes and the parties in dispute agree to negotiate within twenty-eight (28) calendar days of receipt of a letter describing the nature of the dispute and referencing the applicable paragraph of this AGREEMENT. The meeting will be held at a mutually agreed location, or if desired, by videoconference between the applicable program managers with the COUNTY and the STATE. In the event the matter is not resolved by such negotiations within twenty-eight (28) calendar days of this initial meeting, the parties in dispute agree to escalate the matter to the COUNTY's Chief Engineer and the State Highways Administrator. If the matter is not resolvable within twenty-eight (28) days from submittal, the parties in dispute further agree to submit the matter to the COUNTY's Director of Public Works (or Director of Transportation Services, as applicable) and the STATE's Director of Transportation for resolution.

To the extent permitted by law, the parties in dispute may elect to use a mutually agreed third party mediator. Each party will pay for its own attorney and witness fees. Fees and costs of the mediation service will be awarded by the mediator as the mediator determines appropriate. To the extent permitted by law, if no award is made, fees and costs of the mediator shall be shared equally by the parties in dispute.

SECTION 22 – TERM OF AGREEMENT. Unless otherwise terminated in writing by the PARTIES, this AGREEMENT shall be effective for a period of ten

(10) calendar years from the date of this AGREEMENT. The PARTIES may agree to extend the term of this AGREEMENT by written amendment of this AGREEMENT.

CITY & COUNTY OF HONOLULU

By _____
Kirk Caldwell
Mayor

RECOMMEND APPROVAL:

Michael D. Formby, Director
Department of Transportation Services

Date: _____

Approved as to form and legality:

Corporation Counsel
City and County of Honolulu

Date: _____

STATE OF HAWAII

Recommended by:

Ford Fuchigami
Interim Director of Transportation

Approved:

Neil Abercrombie
Governor

Approved as to form:

Deputy Attorney General

Date: _____

Feb. 5, 2014

APPENDIX A – STATE & COUNTY POINT OF CONTACTS (POCS)

STATE OF HAWAII

Type of Activity	Contact	Phone Number and email address
Overall Local Public Agency Agreement	Robert Miyasaki , HWY-A (Project Coord & Tech Services Branch Head)	(808) 587-2347 Robert.Miyasaki@hawaii.gov
LPA Manual	Mike Medeiros , HWY-AP (Section Head)	(808)587-2336 Mike.Medeiros@hawaii.gov
Statewide Transportation Improvement Program (TIP/STIP)	Patrick Tom , HWY-PA (STIP Manager)	(808)587-6355 Patrick.Tom@hawaii.gov
Obligation of Federal Funds City & County of Honolulu Kauai, Maui, Hawaii	Kam Kin Sin , HWY-SM	(808)587-2226 Kam.Kin.Sim@hawaii.gov
Submission of Single Audit & Related Documents	Scot Urada , HWY-SM (Federal Program Engineers) Renee Lin , HWY-SF (Federal Aid Accountant)	(808)587-2222 Scot.T.Urada@hawaii.gov (808)587-2196 Renee.T.Lin@hawaii.gov
Design Procedures and Project Reviews	Marshall Ando , HWY-D (Design Branch Head)	(808)692-7559 Marshall.Ando@hawaii.gov
Consultant Procurement		
Right of Way	Dean Yogi , HWY-R (Rights of Way Manager)	(808)692-7325 Dean.Yogi@hawaii.gov
Roadway Jurisdiction and Maintenance	Jamie Ho , HWY-C (Construction & Maintenance Branch Head)	(808)587-2185 Jamie.Ho@hawaii.gov
Construction Administration Hawaii Maui Kauai Oahu	Sal Panem , HWY-H (Hawaii District Engineer) Ferdinand Cajigal , HWY-M (Maui District Engineer) Ray McCormick , HWY-K (Kauai District Engineer) Pratt Kinimaka , HWY-O (Oahu District Engineer)	(808)933-8620 Sal.Panem@hawaii.gov (808)873-3535 Ferdinand.Cajigal@hawaii.gov (808)241-3006 Raymond.J.McCormick@hawaii.gov (808)831-6703 Pratt.Kinimaka@hawaii.gov

Construction Procedures	Blaine Kawamura , HWY-CC (Construction Engineer)	(808)587-2630
Materials Testing & Certification	Casey Abe , HWY-L (Materials Testing Branch Head)	(808)483-2515

COUNTY MAIN POINT OF CONTACT	Contact	Phone Number and email address
County of Hawaii	Ben Ishii (Division Chief Engineer)	(808)961-8423 bishii@co.hawaii.hi.us
County of Maui	Cary Yamashita (Division Chief Engineer)	(808)270-7430 Cary.Yamashita@co.maui.hi.us
City & County of Honolulu	Deputy Director	(808)768-8304
County of Kauai	Larry Dill (County Engineer)	(808)241-4996 ldill@kauai.gov

Feb. 5, 2014

APPENDIX B –ADVANCE CONSTRUCTION

To maximize the use of funds and to maintain financial constraint in the STIP and/or TIP, the COUNTY may consider using the benefits of advance construction, with the understanding of the associated risks. Attention is directed to 23 CFR Part 630.106(c).

Unless otherwise specified by the COUNTY, the STATE may convert advance construction balances to regular obligation and give this a higher priority over other new or unfunded projects shown in the COUNTY's program during the current working fiscal year.

Feb. 5, 2014

APPENDIX C – INTERIM PROCEDURES FOR OBLIGATION OF FEDERAL FUNDS

Upon receipt of the COUNTY's request, the STATE will prepare and process REQUEST FOR PROJECT AUTHORIZATION, AGREEMENT, AND/OR MODIFICATION ("PR-1240") for FHWA's approval and authorization for the obligation of federal funds for the project or program. Upon authorization and approval by FHWA, the STATE will transmit an advance copy of the authorized and approved PR-1240 by email to the applicable contacts listed below, followed by the final hard copy through the mail.

Receipt of an advance copy of the approved PR-1240 for construction obligation of federal funds does not automatically imply or represent an approval to advertise the project. In addition to the satisfactory completion of PS&E, the COUNTY may advertise the project for bids only after receipt of the original hard copy of the STATE's transmittal of the FHWA approved PR-1240 with a cover letter containing and listing any applicable conditions that must be satisfied prior to project advertisement.

With the exception of advance construction or other items stated in 23 CFR 630.106 (c)(1) – (4), the execution of a PR-1240 with FHWA's authorization to proceed as evidenced by appropriate FHWA signatures on the PR-1240 shall be considered as contractual obligation of the Federal government under Title 23 Section 106 for federal funding and reimbursements. For exceptions listed in 23 CFR 630.106 (c)(1) – (4), the federal authorization to proceed is not a commitment or obligation to provide federal funds for that portion of the undertaking not fully funded in accordance with 23 CFR 630.106(d).

The COUNTY may request consideration of (flexible) soft matching of previously purchased or donated lands, consultant services, materials or funds in accordance with 23 U.S.C. Section 120 and Section 323. Such requests shall be substantiated by proper appraisal and accounting documentation and will be reviewed by the STATE and approved by FHWA. All approvals of soft (flexible) match shall be provided by letter. Refer to APPENDIX H for additional information on consultant service fees and soft matching.

For the obligation of project planning funds, aside from the project phase shown in the approved TIP or the STIP, there is no prerequisite for the COUNTY to complete prior project phases or project activities that are approved by the STATE or FHWA. Requests to obligate project planning funds shall be submitted to the STATE's Federal Program Engineer at the Highways Division Staff Services Office ("HWY-SM") along with the necessary documents specified by the STATE.

For the obligation of design funds where the design work scope includes; preliminary engineering, environmental coordination and consultation, preparing environmental clearance documents, and performing final design, the obligation of such project activities requires the project design phase to be shown in the approved TIP or the STIP. Typical projects are those with anticipated federal categorical exclusion environmental clearance.

For typically larger or more complex projects where a planning phase resulting in an environmental impact statement or a 'major' environmental assessment is performed, the obligation of *final project design* funds will occur upon the completion of the federal environmental requirements such as the National Environmental Protection Act ("NEPA") in accordance with 23 CFR Part 771, Section 106 of the National Historic Preservation Act, Section 4(f) of the Department of Transportation Act, Section 6(f) of the Land and Water Conservation Act, Section 7 of the Endangered Species Act, and Hawaii Revised Statutes (HRS) Chapter 343 and 6E, as applicable, and the design phase of the project must be on the approved TIP and/or STIP.

Requests to obligate project design funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of Right of Way ("ROW") funds may occur in 2 phases: pre-ROW and final acquisition.

- Federal funds for pre-ROW may be used for any ROW acquisition activities with the exception of negotiating and making offers to property owners or negotiating and making offers for relocations. Obligation of Pre-ROW funds is not contingent upon completion of NEPA.
- Federal funds for final acquisition may be used for the purchase of property interest (easement, license, title, access), or for the payment of relocations. Obligation of funds to be used for final acquisition will occur upon completion of NEPA.

Additionally, the pre-ROW and/or ROW phase of the project must be shown in an approved TIP and/or STIP. Requests to obligate ROW funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

Obligation of construction funds for design-bid-build or design-build projects may be requested upon completion of the following items:

- Listing the project phase on the approved TIP and/or STIP,
- Appropriate environmental clearances for the project in accordance with 23 CFR Part 771 and HRS 343, and written approval by FHWA,
- ROW certification prepared in accordance with 23 CFR 710.311 for acquisitions as required by 23 CFR 636.309. For design-build projects (23 CFR 710.313) a ROW certification in accordance with 23 CFR 309(p),

- PS&E, design exceptions, project checklists, reports, Request for Proposals ("RFP"), and other applicable documents have been reviewed and approved by the STATE and/or FHWA.

Obligation of design and/or construction funds for Emergency Relief ("ER") projects may be requested upon completion of the following items:

- Preparation of Detailed Damage Inspection Reports ("DDIR") by the COUNTY and submitted to the STATE and FHWA,
- Completion of site visit with STATE and FHWA,
- FHWA acknowledgement of emergency event,
- FHWA approval of submitted DDIRs,
- Agreement and understanding of 100% immediate work items and 80% permanent work items appropriately documented in the DDIR.
- ER construction projects competitively bid (in most cases for permanent repairs) shall be subject to the same requirements described in the preceding paragraph for appropriate environmental clearances, ROW certification, and approved PS&Es.

Requests to obligate construction funds shall be submitted to the STATE's Federal Program Engineer at HWY-SM along with the documents specified by the STATE.

DISTRIBUTION OF PR-1240s (ADVANCE COPIES)

County	Contact	Email address
City & County of Honolulu	Primary: Deputy Director Secondary: Merle Loui-Sakamoto	mgarrity@honolulu.gov mloui@honolulu.gov
County of Hawaii	Primary: Ben Ishii Secondary: Alan Simeon	bishii@co.hawaii.hi.us asimeon@co.hawaii.hi.us
County of Maui	Primary: Cary Yamashita Secondary: Rodrigo Rabara	Cary.Yamashita@co.maui.hi.us Rodrigo.Rabara@co.maui.hi.us
County of Kauai	Primary: Larry Dill Secondary: Lyle Tabata	ldill@kauai.gov ltabata@kauai.gov

APPENDIX D – INTERIM PROCEDURES FOR PROJECT AGREEMENT MODIFICATIONS

For agreement modifications involving the obligation of additional or the reduction of Federal funds, the COUNTY shall provide the following to the STATE in writing:

- Requested amount,
- Reason for the cost change,
- For project cost increases, confirmation that the increase is for the original project purpose and need. For project cost decreases, reason(s) for decrease along with a revised project estimate,
- For modification to a construction project, a revised Detail Estimate Summary Sheet,
- Schedule when adjustments to funds must be completed,
- Confirmation that any cost increase will not be applied to any previously completed work already paid for by the FHWA and thus considered as double payment,
- STATE's District Construction Engineer's approval (for construction change orders), and
- FHWA's approval, when required.

For COUNTY design project requests will be submitted to the STATE's Project Manager overseeing the COUNTY's Federal Aid project. For COUNTY construction projects, requests will be submitted to the STATE's construction engineer overseeing the COUNTY's construction program.

For cost increases to previously obligated and ongoing projects, the funds to be added to the project do not need to be shown on the STIP if the project scope is not expanded beyond the original purpose and need, and the amount is within established thresholds for administrative STIP amendments. Provided that funds are for eligible purposes, the obligation of funds under these circumstances does not require any prior STIP amendments.

If the additional funds expands the project beyond the original purpose and need (example: adding ¼ mile of paving beyond the original limits, or adding a traffic signal for safety or operational improvements that was not part of the original scope), or if the amount of funds to be added exceeds established thresholds for administrative STIP amendments, the STIP shall be amended to show the additional funds to be added. A non-administrative STIP amendment shall be completed and approved by FHWA and Federal Transit Administration ("FTA") before additional funds can be obligated for the project.

Upon determination by the STATE that the COUNTY's request is justified, the STATE will process a modification to the project agreement for FHWA's

authorization and obligation of the requested funds. The STATE may request additional justification of documentation as required to support the COUNTY's request.

For project agreement modifications involving the deobligation of excess funds related to low bid opening, less than anticipated project needs, or closing of projects, such deobligations will occur within the timelines specified in 23 CFR 630.106, or within ninety (90) calendar days after a determination of funding needs have been made by the COUNTY. If the COUNTY desires to use deobligated funds for another eligible and ready Federal-aid project shown on the TIP or STIP, the obligation of released funds must occur within the same federal fiscal year when the deobligations take place. If the COUNTY does not have an eligible project that is ready to use all or a portion of the deobligated funds, to avoid the possible lapsing of formula obligation authority, the STATE may use those released funds for the STATE's own projects.

APPENDIX E –INTERIM PROCEDURES FOR PROJECT MONITORING AND TRACKING

The COUNTY shall monitor all projects with federal obligations and track the implementation of the project to its completion. Monitoring shall include but not be limited to:

- Maintaining a system to set and track project milestone dates. This may include developing and maintaining a project schedule with sufficient details that shows all major activities and milestones, and clearly show all activities occurring concurrently or sequentially.
- Reviewing fiscal activity on a monthly basis. If no expenditure of funds have occurred, the appropriate COUNTY personnel shall provide documentation explaining the reasons for the inactivity from the Project Manager,
- Participating in the STATE's project status meetings and quarterly "over the shoulder" meetings.
- If requested by the STATE with reasonable notice, meeting with the STATE to discuss progress of specific Federal-aid projects on an as-needed basis.
- The STATE may request monthly status updates in the event there are no project status meetings or "over the shoulder" meetings scheduled. Typically information for such project status requests will be submitted to the STATE on the last working day of the month.
- In addition to project level monitoring, the COUNTY shall maintain a list of all ongoing Federal-aid projects with a summary of project status. The STATE may request for an updated list on a monthly basis.

The STATE will monitor the COUNTY reimbursement activity and if no activity has been noted for a pre-determined period established by the STATE, the STATE will notify the COUNTY. The COUNTY will investigate the reasons for inactivity and will provide a remediation plan to the STATE within one week, or other mutually agreed timeframe, if required.

In accordance with 23 CFR Section 630.106(a)(5), all projects will be monitored for inactivity (no claims for reimbursements). FHWA is anticipated to initiate the formal rulemaking process to revise this section of 23 CFR to define inactive tiers as follows:

- unexpended balances \$150,000 or more and inactive for 12 months or more, and
- new project obligations inactive for 12 months or more since project authorization, regardless of amount

During this interim period where the formal rulemaking process to modify this section of the CFR is being conducted by FHWA, the STATE and the COUNTY will comply with the above proposed tiers of inactivity.

It should be noted that a project may initially reside in a lower tier based on the initial amount of funds obligated. However when additional funds are obligated (example: an obligation adding construction funds to a project that had only design funds previously obligated) to a project, this activity may move the project beyond the \$150,000 threshold for inactivity.

If the COUNTY is unable to provide reasonable justification for inactivity to the STATE, or the COUNTY does not take timely action to resolve inactivity, the STATE or FHWA may deobligate funds from the inactive project. To avoid inactivity, for any time spent on the project, the COUNTY shall bill to and claim Federal reimbursements on a timely basis as described in APPENDIX F.

APPENDIX F –INTERIM PROCEDURES FOR FINANCIAL MANAGEMENT, REIMBURSEMENTS AND RECORDS RETAINAGE

Indirect Cost: The COUNTY shall provide documentation of its fringe and indirect cost rates computation and approval for use in accordance with 2 CFR 225 – Cost Principles for State, Local, and Indian Tribal Government to the STATE.

Records Retention: All project documents shall be kept for a minimum of 3 years from the date the final voucher is submitted to FHWA. When requested by the STATE or FHWA, such records shall be made available for review or audits.

Federal Reimbursement Claims: If anticipated claim(s) for reimbursement by the COUNTY is expected to exceed \$50,000.00, or if the project or activity is funded by any economic stimulus related funds, the COUNTY shall submit semi-monthly requests for reimbursements. If processing of semi-monthly federal reimbursement requests will create severe hardship to the COUNTY, the STATE, FHWA and the COUNTY shall meet to discuss the circumstances and agree on a mutually determined billing frequency.

The COUNTY shall prepare monthly requests for federal reimbursements for amounts from \$10,000.00 to \$50,000.00.

For amounts less than \$10,000.00, the COUNTY will be provided the option to accumulate such amounts from one month to the next. A reimbursement request shall be submitted to the STATE upon reaching this \$10,000.00 threshold, or within a time period of three consecutive months has elapsed from the last billing, whichever is first.

In the event there are no reimbursement requests from the COUNTY for a period of three consecutive months, the COUNTY shall provide to the STATE the reason(s) for not claiming any federal reimbursements.

COUNTY reimbursement requests will be reviewed and processed by the STATE and will be submitted to FHWA for approval and reimbursement. Request for reimbursements shall not exceed the amounts and participation rates shown in the original PR-1240 and subsequent approved modifications. All reimbursement requests shall clearly show the total funds expended by the COUNTY during the reimbursement period and the amount of federal funds requested, the amount paid and reimbursed to date, and all documents to support the reimbursement request. Supporting documents may include: paid invoices, receipts, copies of agreements, timesheets, certified payrolls, and other documents as necessary. The STATE may specify a standard reimbursement format to increase efficiency in the processing of federal reimbursements to the COUNTY.

Return of funds to FHWA: All costs and expenditures properly recorded to a project but ruled ineligible for financing with federal funds shall be borne by the COUNTY. For retroactive adjustments of reimbursed federal funds, such ineligible amounts may be deducted from future COUNTY reimbursement requests for the project in question, or from other COUNTY Federal-aid projects if necessary. If deduction(s) from future COUNTY reimbursements is not feasible, the COUNTY shall provide cash reimbursement to the STATE within sixty (60) days. In the event such payment(s) from the COUNTY creates severe financial hardship, the COUNTY may request an extension to the repayment period, subject to approval by FHWA and the STATE.

Cancelled or withdrawn projects with federal reimbursements may require a return of funds to FHWA. If it is determined that a reimbursement from the COUNTY to FHWA is due, such COUNTY reimbursement shall be processed as described in the preceding paragraph.

STATE review costs: If programmed for federal-aid, preconstruction and construction costs furnished by the STATE may be considered a part of the normal project cost and included in the COUNTY's project estimate and budget. If these costs are not programmed for federal-aid, such services rendered by the STATE on COUNTY projects shall be reimbursed by the COUNTY using non-federal funds.

An accounts receivable will be established by the STATE that will describe the services furnished by the STATE to the COUNTY, and whether such services are federal participating or not. The COUNTY shall provide a purchase order to the STATE, when requested by the STATE, within thirty (30) calendar days. In the event a purchase order is not received from the COUNTY and the STATE begins to incur review or other support costs, the STATE will notify the COUNTY of its intent to stop supporting services until a purchase order is received by the STATE. The STATE's direct labor charges will be based on the STATE's personnel providing such services to the COUNTY and the STATE's prevailing indirect cost rate. The STATE will maintain timesheets and accounting to support review or administrative costs billed to the COUNTY.

Feb. 5, 2014

APPENDIX G –INTERIM PROCEDURES FOR DESIGN

In accordance with 23 CFR 625.3, project design shall comply with all applicable federal laws, regulations, policies, standards and guidelines applicable to Title 23, American Association of State Highway and Transportation Officials (“AASHTO”); adopted STATE standards and policies, and COUNTY design standards, ordinances, and policies.

Construction PS&Es shall be submitted to the STATE at the 60%, 90% and 100% design stages for review. For low risk projects with routine and straightforward work scope, the COUNTY may request the STATE to require submittals at the 90% and 100% design stages for review. Such requests shall be made in writing by the COUNTY at the time a request is made to place the proposed project on the TIP or the STIP. The written request shall be accompanied by a detailed description of the proposed work scope, a map identifying the project location, and the project schedule. The STATE will have sole discretion to approve or disapprove the request.

In addition to PS&Es, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW, and a completed PS&E checklist for review.

For design-build projects or other competitive sealed proposals [such as Request for Proposals (“RFP”)], the following shall be submitted to the STATE: a clear description of the project scope, scoring and award process incorporated into the initial draft document; an intermediate submittal that addresses any STATE or FHWA comments received on the initial submittal; and a final submittal (100%) for review. Similar to design-bid-build construction PS&E, the COUNTY shall provide copies of all correspondence, consultation letters or other documents to support NEPA environmental clearances, ROW certification, and a completed PS&E checklist.

Submittal of 100% PS&Es and/or RFPs along with supporting documents from the COUNTY will be made to the STATE no later than May 31st of any given year to ensure review and processing by the STATE personnel in time for federal obligation of funds that same federal fiscal year. In the event the COUNTY submits incomplete PS&Es and/or documentation that requires resubmittals after May 31st, or submits 100% PS&E's to the STATE after May 31st, it is understood that the STATE will work to review and process such COUNTY PS&Es but may give such projects a lower priority in review and processing due to the STATE's own workload requirements.

For planning studies, master planning documents, or other similar undertakings that will not directly result into a construction project(s), the COUNTY shall submit all deliverables specified in the consultant contract for STATE review.

Feb. 5, 2014

APPENDIX H –INTERIM PROCEDURES FOR CONSULTANT PROCUREMENT

To be eligible for Federal-aid funds, all consultant procurements shall be made in accordance with 23 CFR Part 172 and the Brooks Act (23 U.S.C. §112 (b)(2)(A)). The COUNTY may elect to adopt the STATE's consultant procurement procedures or develop its own consultant procurement procedures that shall be approved by the STATE and FHWA in accordance with 23 CFR 172.9(a).

Alternatively, the COUNTY may elect to procure consultant services using non-FHWA approved procedures and utilize all COUNTY funds. This route eliminates the option of utilizing such expended COUNTY funds for soft-matching in future project phases.

COUNTY's submittals for consultant selection and approvals will be processed and approved by the FHWA and/or the STATE (if such authority is delegated in accordance with 23 CFR 172.9).

In the event the STATE becomes aware of changes to federal consultant procurement requirements, the STATE will notify the COUNTY of such changed requirements.

Feb. 5, 2014

**APPENDIX I –INTERIM PROCEDURES FOR RIGHTS-OF-WAY
ACQUISITIONS, MANAGEMENT, DISPOSALS,
AND TRANSFERS**

The COUNTY shall acquire, manage, relocate, or dispose of ROW in accordance with 23 CFR Part 710 and 49 CFR Part 24. Alternatively the COUNTY may elect to utilize ROW procedures developed and used by the STATE.

In addition to purchasing ROW, the COUNTY may receive land donations in accordance with 23 CFR 710.505 that may be used as credits for the COUNTY's matching share based on fair market value. Eligibility and application of soft matching for donated land shall be in accordance with 23 U.S.C. Section 120. The STATE will give the COUNTY authorization to proceed with ROW activities when federal funds are used in the acquisition of ROW.

The COUNTY may request the STATE's assistance in the appraisal or acquisition of ROW by STATE personnel. The STATE will notify the COUNTY of its ability to assist given the current circumstances at the time of request and if such assistance by the STATE is provided, the COUNTY agrees to reimburse such costs incurred by the STATE. Reimbursement of such costs to the STATE will be processed in accordance with accounts receivable provisions contained in APPENDIX F.

In the event the COUNTY and the STATE agrees that jurisdiction and/or ownership of a particular route should be transferred to either party, the COUNTY shall coordinate such transfer activities with the STATE Highways' Construction and Maintenance Branch ("HWY-C"). The transferring party shall be responsible and bear all costs to prepare all land transaction documents, including any legal costs, notification costs, escrow, filing fees, or any other costs related to transfer of property. All record plans, property descriptions, ROW maps, easement documents, licenses or other documents that describe title, encumbrances, ownership and/or jurisdiction shall be provided to the receiving party in paper (2 copies) and electronic format.

**APPENDIX J –INTERIM PROCEDURES FOR CONSTRUCTION
ADVERTISEMENT, AWARD, NOTICE-TO-
PROCEED, AND CONSTRUCTION
ADMINISTRATION**

Upon completion of design, obligation of federal funds, and authorization to advertise and receive bids by FHWA as shown on the approved PR-1240, the COUNTY shall expeditiously advertise, receive bids, evaluate bids and award the construction projects. These activities shall occur as soon as possible and within timelines specified in any FHWA imposed conditions for obligation of funds. The COUNTY shall submit bid, bid evaluation and related documents to the STATE for review and concurrence.

When required, the PR-1240 will be modified to reflect award amount by the STATE for FHWA approval. Upon FHWA approval, the STATE will furnish a copy of the modified PR-1240 to the COUNTY, and the COUNTY will expeditiously award and execute the construction contract. The COUNTY shall provide to the STATE the date when the project was advertised and a copy of the award letter to the contractor. Construction Notice to Proceed (“NTP”) shall be issued by the COUNTY to its contractor within the timeframes specified in the construction specifications. The COUNTY will provide a copy of the NTP letter to the STATE for its records. Copies of each letter shall be submitted to the STATE in accordance with the STATE’s Construction Procedures Manual - Volume 10.

All Federal-aid projects are subject to the goals of: awarding the project within 120 calendar days, and issuing NTP within 180 calendar days from the time construction funds are obligated.

Construction administration shall comply with the STATE’s Construction Procedures Manual - Volume 10, STATE/SOH’s Quality Assurance Manual, and the STATE/SOH Highways Testing Laboratory’s guidelines and procedures for the Quality Assurance for Materials. Alternatively, the COUNTY may develop its own construction administration procedures in compliance with 23 CFR 635 that is submitted to and approved by the STATE and FHWA. Similarly the COUNTY may develop its own Quality Assurance Program in accordance with 23 CFR 637 that is submitted to and approved by the STATE and FHWA.

The STATE’s District Engineer or assigned representative may participate in preconstruction meetings, field inspections, reviews, or final inspections as specified in the STATE’s Construction Procedures Manual - Volume 10.

All construction and material records shall be made available for inspection by STATE or FHWA personnel. The STATE or FHWA may perform periodic process reviews or audits of ongoing COUNTY construction projects to verify

conformance with approved construction administration procedures and contract requirements.

Upon completion of construction work, the COUNTY shall endeavor to settle all costs with the contractor, the STATE, utility companies and other parties as required in a timely manner, and proceed to close out the project so that the project does not appear on any inactive list described in SECTION 9 and unused federal funds can be released for use in other Federal-aid projects in a timely fashion. Actual release (deobligation) of federal funds will be coordinated with the STATE Federal Program Engineer. Final project close-out shall be in accordance with the STATE's Construction Procedures Manual - Volume 10, Section 10-2-22.

Feb. 5, 2014

**APPENDIX K –LETTER OF AGREEMENT AND STEWARDSHIP
PLAN (“STEWARDSHIP AGREEMENT”)**

The STEWARDSHIP AGREEMENT contained in this appendix is provided for reference only.

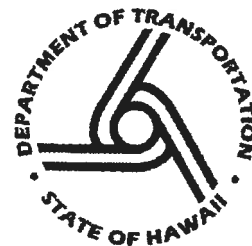
**Federal Highway Administration
&
Hawaii Department of Transportation**

**LETTER OF AGREEMENT

AND

STEWARDSHIP PLAN**

January 5, 2007



LETTER OF AGREEMENT

BETWEEN THE FEDERAL HIGHWAY ADMINISTRATION AND THE HAWAII DEPARTMENT OF TRANSPORTATION

The Hawaii Department of Transportation (HDOT) and the Federal Highway Administration, Hawaii Division (FHWA) agree to follow the procedures set forth in the FHWA and HDOT Stewardship Plan, dated January 5, 2007, which is attached to and made a part of this agreement, to carry out their respective oversight responsibilities in the delivery of Federal-aid projects. This Letter of Agreement supersedes all past agreements, including the agreement signed February 24, 1993.

The Stewardship Plan (Plan) accomplishes a major goal of the respective agencies, in partnership, to further improve program and project delivery in the State of Hawaii. Since the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991, the Transportation Equity Act for the 21st Century (TEA-21) of 1998 and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005, FHWA's relationship with HDOT has changed from full project oversight and approval of every project or activity funded with FHWA funds to program oversight and some targeted project level approval. ISTEA, TEA-21 and SAFETEA-LU requires the FHWA Hawaii Division to share certain oversight responsibilities with its HDOT partner to a much greater extent than in the past and HDOT's acceptance has resulted in a greater program accountability due to less federal involvement in certain projects and programs.

Although stewardship roles have changed, accountability has not changed. FHWA remains responsible and accountable to Congress and the public. HDOT is also committed to being accountable and responsive to its constituents, the people of Hawaii.

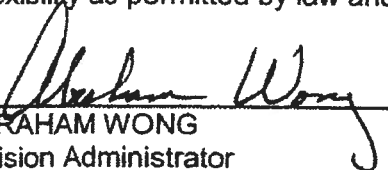
This Plan embodies the shared vision:

"Together create a dynamic, Hawaii inspired, transportation system that improves the quality of life in Hawaii through a partnership based on mutual respect, trust, and cooperation that ensures the judicious use of public resources."

Narrative, matrix tables and flow charts in the Stewardship Plan outlines responsibilities and accountability for FHWA and HDOT. The purpose of the Plan is to clarify actions, prevent misinterpretation and avoid time delays.

The Stewardship Plan is a living document that can be modified to incorporate additional legislation, and other processes or changes that may impact the oversight responsibilities. The FHWA Hawaii Division Administrator or the Director of HDOT may initiate changes to this Stewardship Plan. Both parties, HDOT and FHWA, shall mutually agree upon all future changes.

It is the mutual objective of FHWA and HDOT to work toward providing the State of Hawaii the maximum flexibility as permitted by law and to implement the shared vision.


ABRAHAM WONG
Division Administrator
Federal Highway Administration
Hawaii Division

Date

1/5/07


BARRY FUKUNAGA
Interim Director
Hawaii Department of Transportation

Date

1.5.07

STEWARDSHIP PLANNING COMMITTEE MEMBERS

STEERING COMMITTEE

FHWA: Jodi Chew, Richelle Takara
HDOT: Gary Choy, Gerald Dang

WORKING GROUPS

Planning

FHWA: Elizabeth Fischer
HDOT: Wayne Kawamura, Dean Nakagawa, Pat Tom, Ron Tsuzuki

Environment

FHWA: Jodi Chew
HDOT: Todd Nishioka, Nelson Sagum, Robert Sun, Ron Tsuzuki, Darell Young

Right-of-Way

FHWA: Jodi Chew
HDOT: Mike Amuro, Dale Suzuki, Jerry Yamada, Dean Yogi

Consultant Services

FHWA: Pat Phung
HDOT: Jeffrey Fujimoto, Ben Hung

Design

FHWA: Richelle Takara
HDOT: Julius Fronda, Christine Yamasaki

Construction

FHWA: Clifford Chew
HDOT: Stanley Arakaki, Sterling Chow, Jamie Ho, Blaine Kawamura,
Kyle Oyasato, Sal Panem, Rudy Raralio, Charlene Shibuya

Maintenance

FHWA: Clifford Chew
HDOT: Jamie Ho, Kelly Lee Sato

Materials

FHWA: Pat Phung
HDOT: Gerry Carnate, Herbert Chu, JoAnne Nakamura

Structures

FHWA: Domingo Galicinao
HDOT: Herbert Chu, Curtis Matsuda, Paul Santo

Safety

FHWA: Wayne Kaneshiro
HDOT: Jan Higaki, Sean Hiraoka

Traffic Engineering and Intelligent Transportation Systems

FHWA: Richelle Takara

HDOT: Peter Chan, Benson Chow, Bryan Kimura, Karl Kunishige

Financial Management and Accounting

FHWA: Dean Fujita

HDOT: Philbert Alencastre, Kam Kin Sin, Gerald Dang, Eva Uchihara, Scot Urada

Research and Technology Transfer

FHWA: Domingo Galicinao, Wayne Kaneshiro

HDOT: Steve Ege, Franci Terada

Civil Rights

FHWA: Vincent Mammano

HDOT: Rey Domingo, Blaine Kawamura

Risk Management

FHWA: Vincent Mammano

HDOT: Brennon Morioka, Glenn Yasui

STEWARDSHIP PLAN HAWAII

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SECTION 1 – BACKGROUND AND OVERVIEW

Congress has charged the Federal Highway Administration (FHWA) with administering the Federal-Aid Highway Program (FAHP) under Title 23, and other associated laws. In addition, FHWA's responsibility for administering the FAHP has been clearly outlined in the following legislations: the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991; the Transportation Equity Act of the 21st Century (TEA-21) of 1998; and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005. These laws allow States to assume certain delegated responsibilities for FHWA in certain National Environmental Policy Act approvals and in the design, construction, award and inspection of certain Federal-aid projects.

The FHWA and the State Departments of Transportation (SDOTs), the funds recipients, have jointly administered the FAHP for many years. With the enactment of ISTEA, the Stewardship Agreement was introduced and provided a documented provision that addressed how the SDOT and FHWA division office would handle the delegated authorities for certain project action. Since that time, and the passage of SAFETEA-LU, the overall program has evolved requiring a more comprehensive Agreement that covers all aspects of the FAHP. This new Agreement provides a road map to effectively and efficiently execute the Federal-aid program relating to program/project delivery. FHWA assistance is not just financial integrity; it is managerial and technical as well.

Stewardship goes beyond regulatory compliance or oversight. This Stewardship Plan (Plan) outlines the roles of both FHWA and HDOT. In order to distinguish stewardship from oversight the following definition will apply:

Stewardship: *The efficient and effective management of the public funds that have been entrusted to the Federal Highway Administration.*

Oversight: *The act of ensuring that The Federal highway program is delivered consistent with applicable laws, regulations and policies.*

This Stewardship Plan serves as a continuing plan of program oversight and responsibilities for each agency covering the following functional areas:

- Planning
- Environment
- Right-of-way
- Consultant Services
- Design
- Construction
- Maintenance
- Materials
- Structures
- Safety
- Traffic Engineering and Intelligent Transportation Systems
- Financial Management and Accounting
- Research and Technology Transfer
- Civil Rights
- Risk Management

The Plan takes into account FHWA's and HDOT's resources and capabilities, and the area of responsibilities and federal requirements where FHWA has an active role in the oversight process. The Plan sets the general framework for accomplishing FHWA's stewardship and oversight responsibilities. In general, FHWA will use Process Review/Product Evaluation (PR/PE) techniques

to assess the capability and capacity of HDOT in those areas where HDOT has assumed FHWA's responsibilities. FHWA will also use these techniques to monitor and evaluate HDOT's fulfillment of the responsibilities outlined in this Plan.

In cases where project level activity is still an integral part of FHWA's stewardship and oversight efforts, early involvement in project decisions combined with an assessment of the quality of the products produced during the project development process will be the primary focus.

In addition the Plan includes the stewardship responsibilities for various programs with identified action by each agency. FHWA will use Program Activities as defined later in this Plan to monitor and evaluate program performance and effectiveness. This Plan incorporates mutual service standards that include agreed upon formats and procedures for HDOT and FHWA actions.

SECTION 2 – OVERSIGHT ACTIVITIES

This Agreement between the HDOT and the Hawaii Division of the FHWA sets forth the respective roles and responsibilities of each party in the administration and oversight of the FAHP in the State of Hawaii.

Program Oversight

FHWA has full oversight of all Federal-aid programs. FHWA will manage and provide oversight of Hawaii's Federal-aid programs in various ways. The methods used will include:

- Routine day-to-day program actions and other interaction.
- Division participation on HDOT task forces, quality teams, implementation committees reviews with individuals, attendance at HDOT meetings, etc.
- PR/PE reviews.
- CPI activities will be undertaken in cooperation with HDOT as needed.

FHWA's PR/PE approach will comprise the traditional process of comprehensively reviewing and evaluating State and/or local agency policies, procedures, practices and controls for the development and implementation of Federal-aid projects and programs.

FHWA will provide technical assistance to HDOT and local agencies on any aspect of eligible Title 23 projects. Such technical assistance activities will be identified on a case-by-case basis in consultation with HDOT and other interested partners.

FHWA will work with HDOT in carrying out the program related stewardship responsibilities.

HDOT Responsibilities

As a condition to accepting Federal-aid highway funds, HDOT agrees to follow all applicable project and program requirements. In addition, as party to this agreement, HDOT assumes project oversight responsibilities, in accordance with the following:

- NHS Projects on the Interstate – HDOT assumes oversight responsibility for the design, plans, specifications, estimates, contract award and inspection for all NHS projects with an estimated construction cost of \$5 million or less on the Interstate System. All Interstate projects must comply with all Title 23 U.S.C. and non-Title 23 U.S.C. requirements.
- Other NHS Projects (not on the Interstate System) – HDOT assumes oversight responsibility for the design, plans, specifications, estimates, contract award and inspection of projects on the NHS with an estimated construction cost of \$10 million or less. All NHS projects must comply with all Title 23 U.S.C. and non-Title 23 U.S.C. requirements.
- Non-NHS Projects – HDOT assumes oversight responsibility for the design, plans, specifications, estimates, contract award and inspection of projects not on the NHS. Non-NHS projects are required to be designed, constructed, operated and maintained in accordance with State laws, regulations, directives, safety standards, design standards, and construction standards, in lieu of many Title 23 requirements. Requirements that are applicable to all Federal-aid projects include, but are not limited to, transportation planning, procurement of professional services, Davis-Bacon wage rates, advertising for bids, award of contracts and Buy America Act provisions. All non-NHS projects must also comply with all non-Title 23 U.S.C. requirements.
- Local Agency Projects – HDOT is responsible for assuring that all local agency Federal-aid projects comply with all applicable Federal and State requirements.

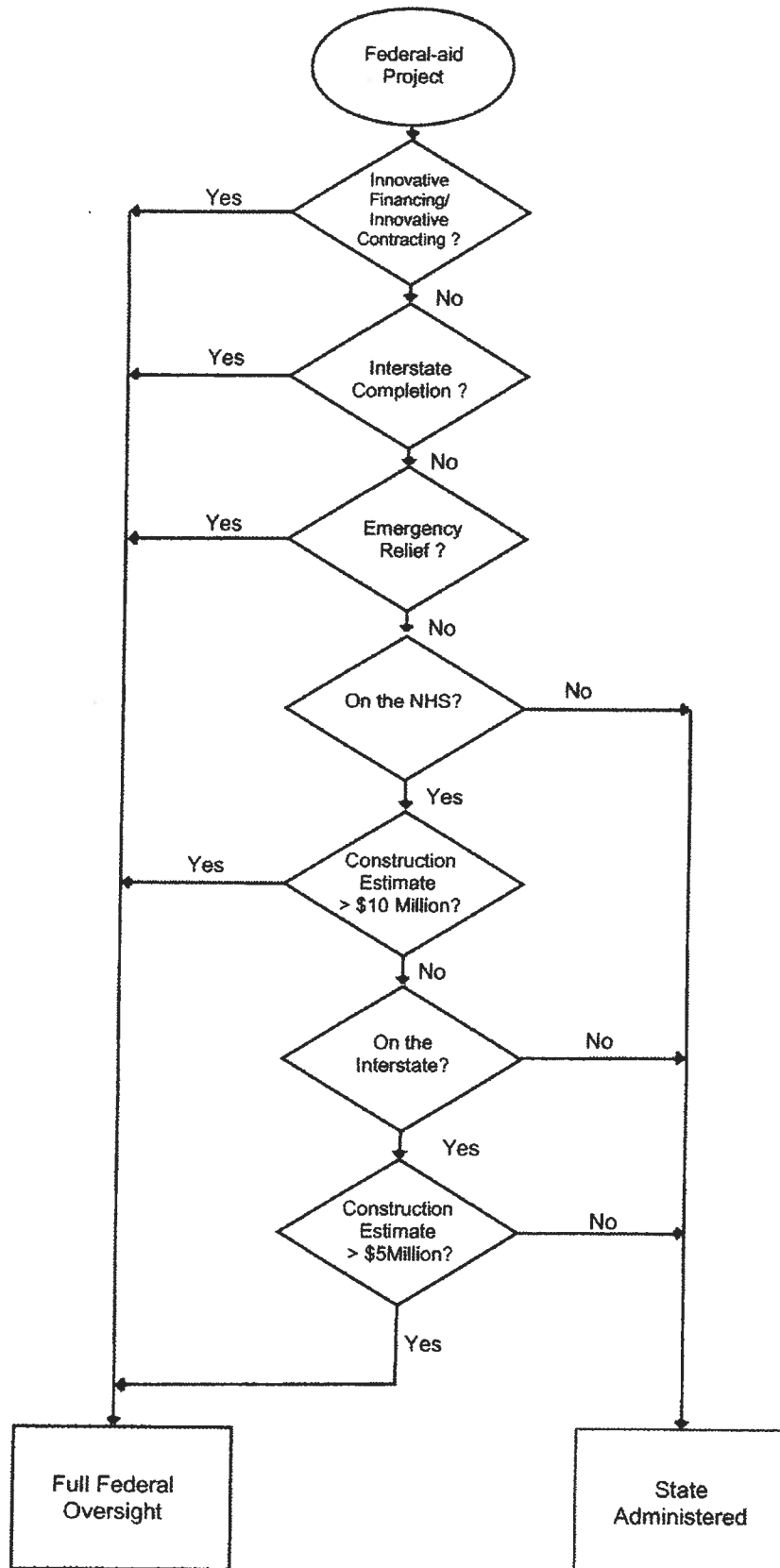
FHWA Responsibilities

While ultimately accountable for all Federal-aid highway projects, FHWA is responsible for full project level oversight as indicated below:

- Special Projects – FHWA will retain full oversight responsibility for (1) Innovative Financing; (2) Innovative Contracting; and (3) Interstate Route H-3 Completion Projects.
- NHS projects on the Interstate and Certain Other Projects – FHWA will have full oversight on NHS projects on the Interstate System with an estimated construction cost greater than \$5 million. FHWA will conduct project level oversight of Title 23 U.S.C. and non-Title 23 U.S.C. requirements on full oversight projects. FHWA will take approval action on project plans, specifications, estimates, contract awards and inspection of projects.
- Other NHS Projects (not on the Interstate System) - FHWA will have full oversight on NHS projects with an estimated construction cost greater than \$10 million. FHWA will conduct project level oversight of Title 23 U.S.C. and non-Title 23 U.S.C. requirements on full oversight projects. FHWA will take approval action on project plans, specifications, estimates, contract awards and inspection of projects
- Non-Title 23 Responsibility – FHWA will continue to be responsible for the oversight of applicable non-Title 23 requirements. Such oversight will be conducted through a combination of both project and program level activities.

In consultation with HDOT, FHWA may become involved with the project level oversight of any Federal-aid project, including those for which HDOT has assumed oversight responsibility. In addition, any Federal-aid project may be included in the project sampling for program level review activities.

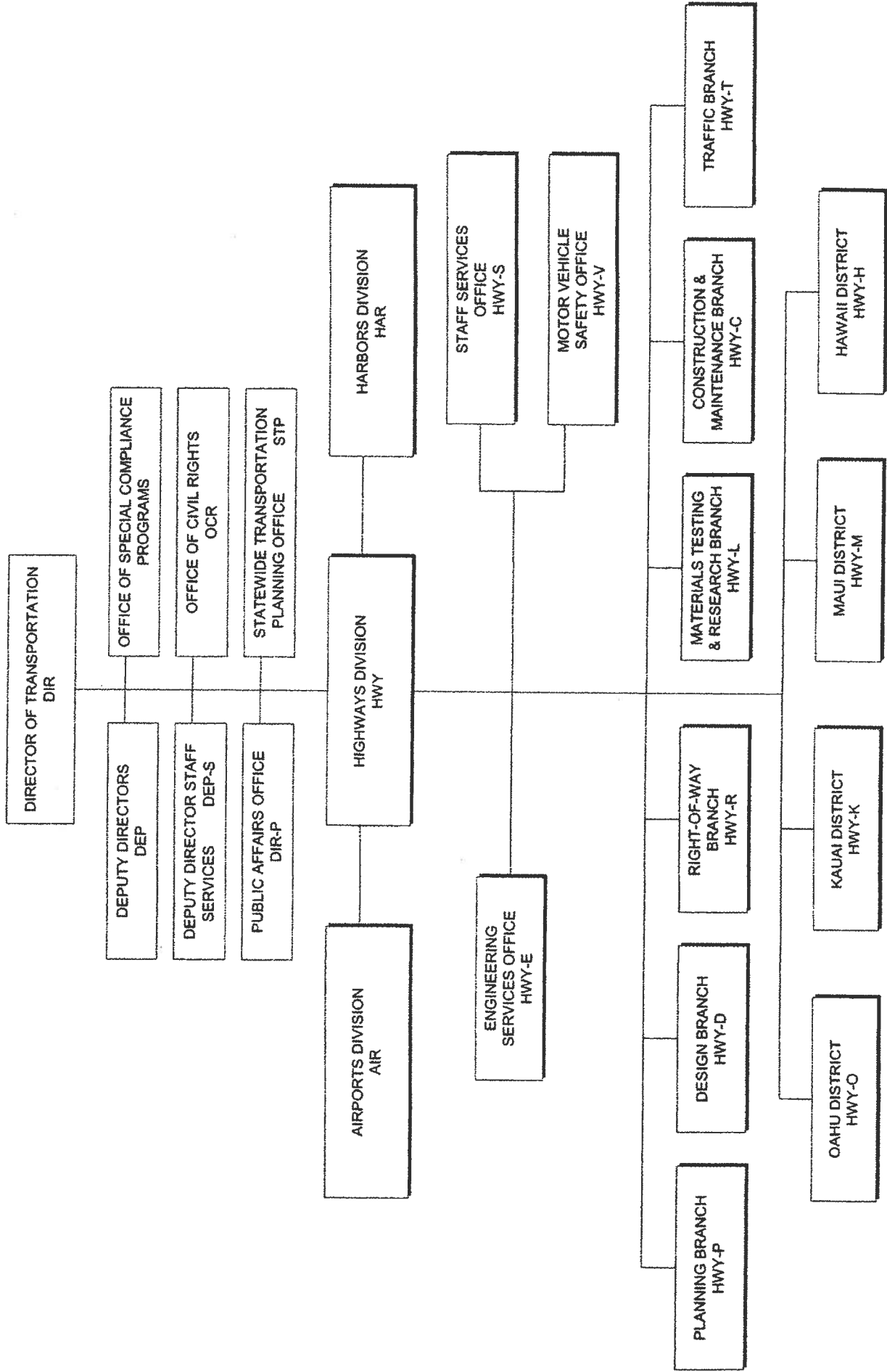
PROJECT OVERSIGHT



NOTE:

If either agency wants to place any project in the other category, the proposing agency shall bring up the issue to the other agency at the STIP stage or at the beginning of the project.

SECTION 3 - HDOT, HIGHWAYS DIVISION ORGANIZATION CHART



SECTION 4 – PROJECT/PROGRAM OVERSIGHT

- 4.1 – Planning
- 4.2 – Environment
- 4.3 – Right-of-way
- 4.4 – Consultant Services
- 4.5 – Design
- 4.6 – Construction
- 4.7 – Maintenance
- 4.8 – Materials
- 4.9 – Structures
- 4.10 – Safety
- 4.11 – Traffic Engineering and Intelligent Transportation Systems
- 4.12 – Financial Management and Accounting
- 4.13 – Research and Technology Transfer
- 4.14 – Civil Rights
- 4.15 – Risk Assessment

SECTION 4.1 - PLANNING

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 –United States Code (U.S.C.) Highways and non-Title 23 U.S.C. requirements.
- 23 CFR Part 420
- 23 CFR Part 450
- 23 CFR Section 470.105 Urban Area Boundaries and Highway Functional Classifications
- 23 CFR Section 470.111 Interstate System Procedures
- 23 CFR Section 470.113 National Highway System Procedures
- 23 CFR Part 460 – Public Road Mileage for Apportionment of Highway Safety Funds
- 23 CFR Part 669 – Enforcement of Heavy Vehicle Use Tax
- Heavy Vehicle Travel Information System Field Manual
- SAFETEA-LU Section 1117
- CMAQ Guidelines (February 2004)
- Federal Register Volume 60:6 p26759 (May 18, 1995)
- July 24, 2001 FHWA HQ Memo

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Statewide Planning & Research (SPR) Program				
Work Program and Revisions: SPR – Part 1: Statewide Planning		STP: Approve HWY-P: Review	Approve annual program	Prior to program period
Annual Performance & Expenditure Reports		STP: Prepare	Approve	90 days after end of period
Other Periodic Performance & Expenditure Reports		STP: Prepare not more frequently than quarterly.	Review	30 days after end of period
Approval of Reports Before Publication		STP: Consolidate	Approve	Per Division requirements

<u>Statewide Transportation Planning Products</u>					
Statewide Transportation Plan		STP: Approve coordinated Departmental multi-modal plan HWY-P: Approve coordinated and prioritized State Highway L RTP (prioritize & consolidate the county L RTPs)	Review	Update as needed	
Public Involvement Procedures	Review	STP: Approve Departmental PI Plan HWY-P: Review	Review	Update as needed	
Statewide Transportation Improvement Program (STIP)	Review	HWY-P: Prepare	Approve jointly with FTA	Prior to program period (2007 & n+4)	
STIP Amendments	Review	HWY-P: Prepare	Review	As needed	
Federal Finding on STIP		Review	Approve jointly with FTA	Concurrent with STIP approval	
State Self-Certification on Planning Process		HWY-P: Approve	Review	Submitted with STIP. Update as needed	
State Consultation Process(es) with Non-Metropolitan Local Officials	Review	STP: Approve process		February 24 (2011 & n+5) (last in 2006)	
<u>Highway System Actions</u>					
Interstate		HWY-P: Submit	Review and approve	As needed	
Federal-aid Urban Area Boundaries		HWY-P: Prepare and submit in required digital format	Approve	When revised	
Functional Classification		HWY-P: Prepare and review	Approve	When revised	
National Highway System (NHS)		HWY-P: Approve	Review and approve	As needed	

<u>Official Work Program (OWP/UPWP)</u>					
Transportation Management Areas (TMAs) OWP/UPWP	OMPO: Prepare and submit	Review	Approve jointly with FTA	Approve jointly with FTA	Prior to program period
Non-TMA MPOs OWP/UPWP	OMPO: Prepare		Approve jointly with FTA	Approve jointly with FTA	As needed
OWP/UPWP Revisions/Amendments	OMPO: Prepare	Review	Approve jointly with FTA	Approve jointly with FTA	Not more frequently than quarterly
Performance & Expenditure Reports	OMPO: Prepare & submit	Review	Review	Review	Per Division Office Requirements
Approval of Reports Before Publication	OMPO: Review	Review	Approve jointly with FTA	Approve jointly with FTA	
<u>Metropolitan Planning: Long-Range Transportation Plan (LRTP)</u>					
MPO LRTP Updates	OMPO: Develop & Approve	Review	Review	Review	Update at least every five years (2011 & n+5) (last 2006)
MPO Public Involvement Procedures	OMPO: Develop & Approve	Review	Review	Review	Update as needed
Air Quality Conformity Determination on LRTP		Review	Approve jointly with FTA	Approve jointly with FTA	Concurrent with LRTP. Update at least every 4 years
<u>Certification/Certification Reports</u>					
State/MPO Self-Certifications	OMPO: Approve	Review	Review	Review	May be included in TIP or OWP. Annual
FHWA/FTA TMA Certification Review Report	OMPO: Prepare	Review	Approve jointly with FTA	Approve jointly with FTA	Every 3 years
<u>Transportation Improvement Program (TIP)</u>					
TIP	OMPO: Approve Governor: Approve	Review & Incorporate into STIP	Review	Review	Prior to program period
TIP Amendments	OMPO: Approval thru the STIP amendment process	Review & Incorporate into STIP	Review jointly with FTA	Review jointly with FTA	As needed
Air Quality Conformity Determination on TIP	N/A	N/A	N/A	N/A	Hawaii attainment area.

Federal Finding on TIP	OMPO: Prepare	Review	Approve jointly with FTA	Concurrent with S(TIP) submittal
<u>Metropolitan Planning Area Designation</u>				
Metropolitan Planning Area Boundaries	OMPO: Approve and submit	Review	Review	When revised
Allocation Formulas for PL funds	Review	Review	Approve	When revised
MPO Agreements	OMPO: Prepare and Approve Local Transit provider: Approve	Approve	Review	When completed
Designation/Redesignation of MPOs	OMPO: Prepare and Submit	STP: Approve HWY-P: Review	Review	When completed
<u>Highway Performance Monitoring System (HPMS)</u>				
Data Submittal		HWY-P: Prepare and Submit to FHWA-HPPI	Review & Approve	June 15
Certified Public Roads Miles		HWY-P: Prepare and Submit	Approve	June 1
Annual Field Review Report		Review	Approve	November 1
Highway Statistics Reports <ul style="list-style-type: none"> • Motor Fuel (551-M) 		HWY-P: Submit via UPACS	Review & Approve	Due 60 days after end of each reporting month
• Motor Fuel (556)		HWY-P: Submit via UPACS	Review & Approve	April 1
• Finance (531, 532, 541, 542, and 543(optional))		HWY-P: Submit via UPACS	Review & Approve	April 1
• Finance (534)	OMPO: Submit biennially	HWY-P: Submit annually	Review	June 15
• Finance (536)		HWY-P: Submit	Review	September 30
• Vehicles and Drivers (561, 562, 566 and 571)		HWY-P: Submit annually	Review	April 1
State DOT/Toll Authority Audits & Published Annual Reports & Form 539 (optional)		HWY-P: Prepare & Publish annually	Review	Due as soon as available.

State DOT Budgets and Published Annual Reports		HWY-P: Prepare & publish	Review	When published
Transportation Bond Referendums		HWY-P: Submit corresponding information	Review	When published
Highway Finance & Tax Legislation		HWY-P: Submit changes in coordination with State Taxation	Review	When published
<u>TRAFFIC MONITORING DATA</u>				
Vehicle Classification Data		HWY-P: Prepare & submit as part of annual HPMS report	Review & Approve	June 15
Permanent ATR Data		HWY-P: Collect & submit to FHWA-HPPI	Review & Approve	Monthly
Continuous Automatic Vehicle Classifier Data		HWY-P: Collect and submit to FHWA-HPPI	Review & Approve	Monthly
Weight & Vehicle Classification Data collected at Weigh-in-Motion sites		HWY: Collect and submit	Review & Approve	June 15 (or quarterly)
Annual Traffic Reports		HWY-P: Submit to FHWA-HPPI	Review & Approve	When published
Traffic Flow Maps		HWY-P: Submit to FHWA-HPPI	Review & Approve	When published
State Highway Maps (including Tourist, Bike, Route maps)		HWY submit 100 copies	Review	When published
Motor Fuel Oversight Review & Annual progress reports and statement of verification		HWY-P: submit via UPACS. Coordinate with State Tax Dept	Approve	June 30
Heavy Vehicle Use Tax (HVUT) <ul style="list-style-type: none"> • Proof of Payment • Compliance Review 		HWY: Approve	Review	July 1
TCSP Evaluation Report		HWY-Prepare & submit	Approve	Every three years (2006)
CMAQ Annual Report		HWY: Approve	Review	June 30
Scenic Byways Program Grant Review & Progress Reports		HWY: Approve	Review	February 1
		HWY: Approve	Review	Quarterly

MONITORING

The overall effectiveness of the stewardship agreement pertaining to the Transportation Planning Program will be determined through a performance evaluation related to the timely production of required documents, plan implementation, and the quality and timeliness of other products produced as part of the program. Timely review and approval of the administrative paperwork is necessary to authorize the program and to ensure the state's accountability for the use of state and federal moneys.

The HDOT and FHWA Transportation Planning Program Stewardship Agreement performance objectives will be evaluated through actions such as but not limited to the following:

- Joint HDOT/FHWA reviews of the various Highway Performance Monitoring System (HPMS) data, traffic data, and various required statistical reports. FHWA Headquarters (Office of Policy and Information - HPPI) evaluates and checks HPMS data and conducts field reviews of the HPMS data in conjunction with the Division Office.
- Joint HDOT/FHWA (may also include FTA) planning team reviews MPO annual self-certification, discuss work program emphasis areas and schedules in coordination with OMPO.
- Quarterly review meetings between HDOT Planning Staff (STP & HWY-P) and FHWA to evaluate HDOT's progress in meeting work objectives contained in the SPR work program, overall planning program, and data collection and analysis processes.

SECTION 4.2 - ENVIRONMENT

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 CFR Part 771 – Environmental Impact and Related Procedures
- 23 CFR Part 772 – Procedures for Abatement of Highway Traffic Noise and Construction Noise
- 23 CFR Part 777 – Mitigation of Impacts to Wetlands and Natural Habitat
- National Environmental Policy Act
- Section 106 of the National Historic Preservation Act
- 36 CFR Part 800, Protection of Historic Properties
- Section 7 of the Endangered Species Act
- HDOT Noise Analysis and Abatement Policy
- Public Involvement/Public Hearing Procedures for Federal-aid Highway Actions
- Hawaii Revised Statutes Chapter 343 Environmental Impact Statements (HRS 343)
- Hawaii Administrative Rules, Chapter 11-200 Environmental Impact Statements
- Hawaii Revised Statutes Chapter 341 Environmental Quality Control (HRS 341)
- Hawaii Administrative Rules, Chapter 11-201 Environmental Council Rules of Practice and Procedures
- Hawaii Revised Statutes, 6E
- Act 50, Session Laws of Hawaii 2000 (cultural practices)
- Comprehensive Exemption List for the State of Hawaii Department of Transportation, November 11, 2000

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
1995 MOU NEPA/404 Integration Process		Revise and Sign	Review and Sign	Updated MOU

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		
	HDOT Action	FHWA Action	State Administered
Identify Environmental Document Type	Identify NEPA document needed	Concur	Identify NEPA document needed FHWA Action Concur

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Documented Categorical Exclusion	Complete Documented Cat Ex and Sign	Concur and Sign	Complete Documented Cat Ex and Sign	Concur and Sign
Pre-draft Environmental Assessment	Complete EA	Review EA	Complete EA	Review EA
Environmental Assessment	Complete and Sign EA	Approve and Sign EA	Complete and Sign EA	Approve and Sign EA
Public Involvement	Receive Public Input	Receive Public Input	Receive Public Input	Receive Public Input
Final Environmental Assessment	Complete EA	Concur	Complete EA	Concur
NEPA Finding of No Significant Impact	Draft FONSI	Sign FONSI And Issue	Draft FONSI	Sign FONSI and Issue
Notice Of Intent	Draft NOI	Approve/Submit for Publication in Federal Register	Draft NOI	Approve/Submit Publication in Federal Register
Participating Agency and Cooperating Agency Letters	Draft Letters	Review and Issue Letters	Draft Letters	Review and Issue Letters
Public Involvement	Perform Public Involvement	May Attend	Perform Public Involvement	May Attend
Purpose and Need	Develop Purpose and Need	Concur	Develop Purpose and Need	Concur
Interagency Coordination	Perform Coordination	Facilitate Coordination	Perform Coordination	Facilitate Coordination
Pre-Draft Environmental Impact Statement	Complete Pre-Draft EIS	Review Pre-Draft EIS	Complete Pre-Draft EIS	Review Pre-Draft EIS
Draft Environmental Impact Statement	Complete Draft EIS and Sign	Review Draft EIS and Sign	Complete Draft EIS and Sign	Review Draft EIS and Sign
Public Hearing	Hold Hearing	May Attend	Hold Hearing	May Attend
Pre-Final Environmental Impact Statement	Complete Pre-Final EIS	Review Pre-Final EIS	Complete Pre-Final EIS	Review Pre-Final EIS
Final Environmental Impact Statement	Complete FEIS and Sign	Review by FHWA Legal and Sign	Complete FEIS and Sign	Review and Sign

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
NEPA Record of Decision	Draft ROD	Sign ROD and Issue	Draft ROD	Sign ROD and Issue
Preliminary Programmatic Section 4(f) Evaluation	Prepare 4(f)	Review 4(f)	Prepare 4(f)	Review 4(f)
Programmatic Section 4(f) Evaluation	Complete 4(f)	Review and Sign 4(f)	Complete 4(f)	Review and Sign 4(f)
Pre-Draft Section 4(f) Evaluation	Complete Pre-Draft	Review Pre-Draft	Complete Pre-Draft	Review Pre-Draft
Draft Section 4(f) Evaluation	Complete Draft	Review Draft by FHWA Legal	Complete Draft	Review Draft by FHWA Legal
Final Section 4(f) Evaluation	Complete 4(f)	Review and Sign	Complete 4(f)	Review and Sign
De Minimis Finding	Coordinate with SHPD or owning agency, receive concurrence, give public opportunity to comment	Issue De Minimis Finding	Coordinate with SHPD or owning agency, receive concurrence, give public opportunity to comment	Issue De Minimis Finding
Letter Identifying Area of Potential Effect and Request for Identification of 106 properties	Prepare Letter	Approve for HDOT to sign and send to SHPD	Prepare Letter	Approve for HDOT to sign and send to SHPD
Section 106 Coordination with Interested Parties and Native Hawaiian Organizations (NHOs)	Prepare Letter	Approve for HDOT to sign and send to Interested Parties or NHOs	Prepare Letter	Approve for HDOT to sign and send to Interested Parties or NHOs
Section 106 Coordination Traditional Cultural Properties and Cultural Impact Assessment	Perform Coordination and Impact Analysis	Facilitate Coordination	Perform Coordination and Impact Analysis	Facilitate Coordination
Section 106 No Adverse Effect	Prepare Letter	Review and Sign Letter to SHPD	Prepare Letter	Review and Sign Letter to SHPD
Section 106 Adverse Effect Determination	Prepare Letter	Review and Sign Letter to SHPD	Prepare Letter	Review and Sign Letter to SHPD
Section 106 Memorandum of Agreement	Prepare and Sign MOA	Review and Sign MOA, Send to Advisory Council of Historic Preservation.	Prepare and Sign MOA	Review and Sign MOA, Send to Advisory Council of Historic

Full Federal Oversight				State Administered	
Project Activity	HDOT Action	FHWA Action	HDOT Action	FHWA Action	
Letter Identifying Area of Effect and Identification of Section 7 Resources	Prepare Letter	Approve for sending to USFWS		Preservation.	
Section 7 No effect	Write Letter	Approve and Sign letter to USFWS	Prepare Letter	Approve for sending to USFWS	
Section 7 Biological Evaluation and Letter of Effect	Prepare Letter	Approve and Sign letter to USFWS	Write Letter	Approve and Sign letter to USFWS	
Formal Written Re-evaluation	Prepare Re-evaluation	Review and Issue decision on Re-evaluation	Prepare Letter	Approve and Sign letter to USFWS	
Draft Supplemental Environmental Impact Statement	Prepare Draft SEIS	Review Draft SEIS	Prepare Re-evaluation	Review and Issue decision on Re-evaluation	
Final Supplementary Environmental Impact Statement	Prepare Final SEIS and Sign	Review and Sign SEIS	Prepare Draft SEIS	Review Draft SEIS	
			Prepare Final SEIS and Sign	Review and Sign SEIS	

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Full Federal Oversight				State Administered	
Project Activity	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action
Identify Environmental Document Type	Identify NEPA document needed	Concur	Concur	Identify NEPA document needed	Concur
Documented Categorical Exclusion	Complete Documented Cat Ex and Sign	Concur and Sign	Concur and Sign	Complete Documented Cat Ex and Sign	Concur and Sign
Pre-draft Environmental Assessment	Complete EA	Review EA	Review EA	Complete EA	Review EA
Environmental Assessment	Complete EA	Concur and Sign EA	Approve and Sign EA	Complete EA	Concur and Sign EA
Public Involvement	Receive Public Input	Receive Public Input	Receive Public Input	Receive Public Input	Receive Public Input

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Final Environmental Assessment NEPA Finding of No Significant Impact	Complete EA Draft FONSI	Concur Review	Concur Sign FONSI And Issue	Complete EA Draft FONSI	Concur Review	Concur Sign FONSI and Issue
Notice Of Intent	Draft NOI	Concur	Approve/Submit for Publication in Federal Register	Draft NOI	Concur	Approve/Submit Publication in Federal Register
Participating Agency and Cooperating Agency Letters	Draft Letters	Review Letters	Review and Issue Letters	Draft Letters	Review Letters	Review and Issue Letters
Public Involvement	Perform Public Involvement	May Attend	May Attend	Perform Public Involvement	May Attend	May Attend
Purpose and Need	Develop Purpose and Need	Concur	Concur	Develop Purpose and Need	Concur	Concur
Interagency Coordination	Perform Coordination	Perform Coordination	Facilitate Coordination	Perform Coordination	Perform Coordination	Facilitate Coordination
Pre-Draft Environmental Impact Statement	Complete Pre-Draft EIS	Review	Review	Complete Pre-Draft EIS	Review	Review
Draft Environmental Impact Statement	Complete Draft EIS and Sign	Review	Review	Complete Draft EIS and Sign	Review	Review
Public Hearing	Hold Hearing	May Attend	May Attend	Hold Hearing	May Attend	May Attend
Pre-Final Environmental Impact Statement	Complete Pre-Final EIS	Review	Review	Complete Pre-Final EIS	Review	Review
Final Environmental Impact Statement	Complete FEIS and Sign	Review and Sign	Review by FHWA Legal and Sign	Complete FEIS and Sign	Review and Sign	Review and Sign
NEPA Record of Decision	Draft ROD	Review ROD	Sign ROD and Issue	Draft ROD	Review ROD	Sign ROD and Issue
Preliminary Programmatic Section 4(f) Evaluation	Prepare 4(f)	Review 4(f)	Review 4(f)	Prepare 4(f)	Review 4(f)	Review 4(f)
Programmatic Section 4(f) Evaluation	Complete 4(f)	Review 4(f)	Review and Sign 4(f)	Complete 4(f)	Review 4(f)	Review and Sign 4(f)
Pre-Draft Section 4(f) Evaluation	Complete Pre-Draft	Review	Review	Complete Pre-Draft	Review	Review
Draft Section 4(f) Evaluation	Complete Draft	Review	Review by FHWA Legal	Complete Draft	Review	Review by FHWA Legal

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Final Section 4(f) Evaluation	Complete 4(f)	Review	Review and Sign	Complete 4(f)	Review	Review and Sign
De Minimis Finding	Coordinate with SHPD or owning agency, receive agency concurrence, give public opportunity to comment	Review	Issue De Minimis Finding	Coordinate with SHPD or owning agency, receive agency concurrence, give public opportunity to comment	Review	Issue De Minimis Finding
Letter Identifying Area of Potential Effect and Request for Identification of 106 properties	Prepare Letter	Review	Approve for local agency to sign and send to SHPD	Prepare Letter	Review	Approve for local agency to sign and send to SHPD
Section 106 Coordination with Interested Parties and Native Hawaiian Organizations (NHOs)	Prepare Letter	Review	Approve for local agency to sign and send to Interested Parties or NHOs	Prepare Letter	Review	Approve for local agency to sign and send to Interested Parties or NHOs
Section 106 Coordination Traditional Cultural Properties and Cultural Impact Assessment	Perform Coordination and Impact Analysis	Facilitate Coordination	Facilitate Coordination	Perform Coordination and Impact Analysis	Facilitate Coordination	Facilitate Coordination
Section 106 No Adverse Effect	Prepare Letter	Review	Review and Sign Letter to SHPD	Prepare Letter	Review	Review and Sign Letter to SHPD
Section 106 Adverse Effect Determination	Prepare Letter	Review	Review and Sign Letter to SHPD	Prepare Letter	Review	Review and Sign Letter to SHPD
Section 106 Memorandum of Agreement	Prepare and Sign MOA	Review and Sign	Review and Sign MOA. Send to Advisory Council of Historic Preservation.	Prepare and Sign MOA	Review and Sign	Review and Sign MOA. Send to Advisory Council of Historic Preservation.
Letter Identifying Area of Effect and Identification of Section 7 Resources	Prepare Letter	Review	Approve for sending to USFWS	Prepare Letter	Review	Approve for sending to USFWS

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Section 7 No effect	Prepare Letter	Review	Approve and Sign letter to USFWS	Prepare Letter	Review	Approve and Sign letter to USFWS
Section 7 Biological Evaluation and Letter of Effect	Prepare Letter	Review	Approve and Sign letter to USFWS	Prepare Letter	Review	Approve and Sign letter to USFWS
Formal Written Re-evaluation	Prepare Re-evaluation	Review	Review and Issue decision on Re-evaluation	Prepare Re-evaluation	Review	Review and Issue decision on Re-evaluation
Draft Supplemental Environmental Impact Statement	Prepare Draft SEIS	Review	Review Draft SEIS	Prepare Draft SEIS	Review	Review Draft SEIS
Final Supplemental Environmental Impact Statement	Prepare Final SEIS and Sign	Review and Sign	Review and Sign SEIS	Prepare Final SEIS and Sign	Review and Sign	Review and Sign SEIS

MONITORING

Environment: Monitoring will be accomplished by the FHWA through project-by-project monitoring and environmental document approvals.

SECTION 4.3 - RIGHT-OF-WAY

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Constitution of the United States of America, Article V, the Fifth Amendment.
- Constitution of the United States of America, Article XIV, the Fourteenth Amendment.
- Constitution of the United States of America, Decisions of The United States Supreme Court.
- Title 23 U.S.C. – Highways.
- Title 42 U.S.C. (The Public Health), Chapter 51 (Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs) – *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, Public Law 91-646, 84 Stat. 1894-1907, 91st Congress, S.1, January 2, 1971 [Uniform Act; Uniform Relocation Act or URA], as amended.
- Title 49 U.S.C. – Transportation.
- 23 CFR Section 635.309 – Authorization
- 23 CFR Part 710 – Right-of-Way and Real Estate
- 23 CFR Part 750 – Highway Beautification
- 23 CFR Part 751 – Junkyard Control and Acquisition
- 23 CFR Part 752 – Landscape and Roadside Development
- 23 CFR Part 771 – Environmental Impact and Related Procedures
- 23 CFR Part 772 – Procedures for Abatement of Highway Traffic Noise and Construction Noise
- 23 CFR Part 777 – Mitigation of Environmental Impacts to Privately Owned Wetlands
- 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs
- Federal-Aid Policy Guide, December 9, 1991 (FAPG), as revised.
- Right-of-Way Project Development Guide, FHWA-PD-92-020, September 1992 (Revised May 18, 2000).
- Constitution of the State of Hawaii Section 20 (Eminent Domain), Article I (Bill of Rights).
- Chapter 101, HRS – Eminent Domain.
- Chapter 171, HRS – Management and Disposition of Public Lands.
- Chapter 264, HRS –Highways.
- Departmental Staff Manual, Department of Transportation, State of Hawaii, July 30, 1993 (DSM), as revised.
- Procedures Manual, Highways Division, Department of Transportation, State of Hawaii, March 1969 (HDPM – Outdated).
- Right-of-Way Manual, Right-of-Way Branch, Highways Division, Department of Transportation, State of Hawaii, December 2005 (ROW Manual – Revised and submitted to FHWA by January 1, 2006).

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Develop Right of Way Manual	Prepare and submit/adopt	Review and Concur-LPA Prepare – HDOT	Approve	5 year update/as required
Annual ROW Report		Prepare and Submit	Forward to HQ	Annual

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Appraisals	Review, Certify, Approve, and Authorize		Review, Certify, Approve, and Authorize	
Acquisitions	Perform and Authorize		Perform and Authorize	
Abstract (Title Search)	Review, Certify, Approve, and Authorize		Review, Certify, Approve, and Authorize	
Relocations	Perform and Authorize		Perform and Authorize	
ROW Authorizations and Agreements	Request and Approve		Request and Approve	
ROW Certification	Write Certification Letter with "Request for Authorization to Advertise" and public interest finding	Approve PS&E	Write Certification Letter and public interest finding	
Functional Replacement (Public Involvements)	Approve		Approve	
Any Change in Access, Use or Occupancy (Interstate)	Request and Review	Approve	Request and Review	Approve
Air Rights, Leases/joint use Agreements, Change in Access Control (Non-Interstate)	Review		Review	

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Disposal of Excess ROW	Review & Approve. Review less than Fair Market Value	Approve less than Fair Market Value	Review and Approve. Review less than Fair Market Value	Approve less than Fair Market Value
Early Acquisition, Hardship, Protective Buying	Request	Approve	Request	Approve
Administrative, Legal & Court Awards	Approve		Approve	
Early Acquisition Cost	Request	Approve Reimbursement/Matching Credit	Request	Approve Reimbursement/Matching Credit

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Appraisals	Review, Certify, and Approve	Review and Authorize		Review, Certify, and Approve	Review and Authorize	
Acquisitions	Review, Certify, and Approve	Review and Authorize		Review, Certify, and Approve	Review and Authorize	
Abstract (Title Search)	Perform and Approve	Review and Authorize		Perform and Approve	Review and Authorize	
Relocations	Perform and Approve	Review and Authorize		Perform and Approve	Review and Authorize	
ROW Authorizations and Agreements	Request	Approve		Request	Approve	
ROW Certification	Write Certification Letter with "Request for Authorization to Advertise"	Review and prior to advertisement, public interest findings on all Federal-aid projects	Approve PS&E	Write Certification Letter with "Request for Authorization to Advertise"	Review and prior to advertisement, public interest findings on all Federal-aid	

Local Public Agencies (LPA), i.e. counties, are required to comply with the Uniform Act and its governing regulations found in 49 CFR 24 in the same manner as HDOT. As stipulated in 23 CFR 710.201(b), State Transportation Agencies are responsible for assuring that ROW acquisition programs and projects by LPAs are made in compliance with Federal and State laws and regulations.

HDOT has ultimate responsibility for assessing, ensuring and assuring LPA adherence to and conformance with applicable Federal, and State, regulations. HDOT exercises its oversight responsibilities of LPAs by scheduling annual, or more frequent, visits to conduct process reviews and provide technical assistance and overall guidance.

SECTION 4.4 - CONSULTANT SERVICES

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 –United States Code (U.S.C.) Highways and non-Title 23 U.S.C. requirements.
- Title 23 - Code of Federal Regulations (CFR), applies to all NHS projects, regardless of oversight responsibilities.
- Section 103D-304, Hawaii Revised Statutes (HRS), as amended
- Chapter 3-122, Subchapter 7, Hawaii Administrative Rules
- Department Staff Manual (DSM) Part 7 Procurement, Chapter 17 Professional Service

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
HDOT Consultant Selection Procedures		Prepare	FHWA approve	Approved Consultant Selection Procedures
Local Agency Consultant Selection Procedures	Prepare	Review	FHWA approve	Approved Consultant Selection Procedures

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Request for Use of Consultant and Approval of Estimate Fee	Prepare and approve	None	Prepare and approve	None
Posting of Request for Proposal Advertisement on Internet	Prepare and approve	Receive on E-mail Copy	Prepare and approve	Receive on E-mail Copy
Request for Approval of Selection Committee	Prepare and approve	None	Prepare and approve	None
Approval of Selected Consultant	Prepare and Approve	Approve	Prepare and Approve	None

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Selection Letter	Prepare and Approve	None	Prepare and Approve	None
Negotiated Consultant Fee	Prepare and Approve	Approve	Prepare and Approve	None
Executed Contract	Prepare and Approve	Receive a Copy	Prepare and Approve	Receive a Copy
Notice to Proceed	Prepare and Approve	None	Prepare and Approve	None
Contract Change Order or Contract Amendment	Prepare and Approve	Approve	Prepare and Approve	Receive a Copy
Consultant Performance Evaluation	Prepare and Concur	Receive an E-mail Copy	Prepare and Concur	None

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Work Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Approval of Selected Consultant	Prepare and Approve	Approve	Approve	Prepare and Approve	None	None
Selection Letter	Prepare and Approve	None	None	Prepare and Approve	None	None
Negotiated Consultant Fee	Prepare and Approve	Approve	Approve	Prepare and Approve	None	None
Executed Contract	Prepare and Approve	Receive a Copy	Receive a Copy	Prepare and Approve	Receive a Copy	Receive a Copy
Notice to Proceed	Prepare and Approve	None	None	Prepare and Approve	None	None

Work Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Contract Change Order or Contract Amendment	Prepare and Approve	Approve	Approve	Prepare and Approve	Receive a Copy	Receive a Copy
Consultant Performance Evaluation	Prepare and Concur	Receive an E-mail Copy	Receive an E-mail Copy	Prepare and Concur	None	None

MONITORING

The monitoring of consultant procedures for all Federal-Aid projects will be reviewed by FHWA and HDOT on an annual basis in compliance with applicable manuals, processes, and procedures.

SECTION 4.5 -DESIGN

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 –United States Code (U.S.C.) Highways and non-Title 23 U.S.C. requirements.
- Title 23 - Code of Federal Regulations (CFR), applies to all NHS projects, regardless of oversight responsibilities.
- A Policy on Geometric Design of Highways and Streets, AASHTO, as amended.
- Project Development Manual, Highways Division, Design Branch, as amended.
- Design Criteria for Highway Drainage, Highways Division, as amended.
- Design Exception Procedures.
- FHWA Checklist and Guidelines for Review of Geotechnical Reports and Preliminary Plans and Specifications, as amended
- Pavement Design Manual, Highways Division, Materials Testing and Research Branch, as amended
- Pavement Preventive Maintenance Guidelines, Highways Division, Materials Testing and Research Branch, as amended

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Context Sensitive Solutions	Prepare or Adopt	Prepare	Approve	Approved Procedures

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Interstate Access	Prepare and approve	Approve	Prepare and concur	Approve
Design Exceptions	Prepare	Approve	Prepare and approve	None
Plan Sheets (60%)	Prepare and approve	Comment	Prepare and approve	None

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Functional Replacement (Public Involvements)	Approve	Concur		Approve	Concur	
Any Change in Access, Use or Occupancy (Interstate)	Request	Review	Approve	Request	Review	Approve
Air Rights, Leases/joint use Agreements, Change in Access Control (Non-Interstate)	Review and Approve			Review and Approve		
Disposal of Excess ROW	Approve (Non Interstate)	Review and Approve Interstate. Review less than Fair Market Value	Approve less than Fair Market Value	Approve (Non-Interstate)	Review and Approve Interstate. Review less than Fair Market Value	Approve less than Fair Market Value
Early Acquisition, Hardship, Protective Buying	Prepare Submission	Review and Authorize	Approve	Prepare Submission	Review and Authorize	Approve
Administrative, Legal & Court Awards	Approve			Approve		
Early Acquisition Cost	Request	Concur	Approve Reimbursement/ Matching Credit	Request	Concur	Approve Reimbursement/ Matching Credit

MONITORING

Although there are no exemptions under the law for any functions covered in 49 CFR 24, there is a dual concern (a) to protect the rights of property owners and displaced persons and (b) the stewardship of the federal dollars. Continuous review of the State's activities has proven to be an effective means of assuring that the rights of owners and displaced persons are protected as well as monitoring the expenditure of federal funds. This will be continued under this stewardship plan.

Process reviews and program evaluations conducted jointly with HDOT personnel whenever possible will be the method for evaluating compliance and effectiveness of the program areas, activities, approving action and products.

Certain ROW activities are not covered specifically by either 49 or 23 CFR but are a combination of sound business practice and the occasional national emphasis areas, which affect the ROW program. Joint reviews of these topics and their application will be conducted as needed.

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Plan Sheets (90%)	Prepare and approve	Comment	Prepare and approve	None
Experimental Work	Prepare	Approve	Prepare and approve	None
Value Engineering	Prepare and recommend	Participate	Not required	None
Proprietary Materials	Prepare	Approve	Prepare and approve	None
Soils Engineering and Structure Foundation Investigation Report	Prepare and approve	Review	Prepare and approve	None
Pavement Justification Report	Prepare and approve	Review	Prepare and approve	None
Bridge Calculations	Prepare and submit to FHWA upon request	Review if FHWA requests	Prepare and approve	None
Traffic Signal Warrants	Prepare and approve	Review	Prepare and approve	None
Hydraulic Report	Prepare and approve	Review	Prepare and approve	None
Justification for Contract Time	Prepare and approve	Review	Prepare and approve	None
Traffic Management Plan	Prepare and approve	Review	Prepare and approve	None
Bridge Scour Report	Prepare and approve	Review	Prepare and approve	None
Basis of Design Report	Prepare and approve	Review	Prepare and approve	None
PS&E Approval	Prepare	Approve	Prepare and approve	None
Unusual Bridge Projects	Prepare	Approve	Prepare and approve	None
Permits – Section 404, SMA, etc.	Prepare and obtain approvals	Review	Prepare and obtain approvals	None

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Concurrence on Contract Award	Recommend	Concur	Prepare and concur	None
Project Assessment Report	Prepare and approve	Participate	Prepare and approve	None

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Design Exceptions	Prepare	Review and recommend	Approve	Prepare	Approve	None
Plan Sheets (60%)	Prepare	Review and approve	Comment	Prepare	Comment	None
Plan Sheets (90%)	Prepare	Review and approve	Comment	Prepare	Comment	None
Experimental Work	Prepare	Review and recommend	Approve	Prepare	Approve	None
Value Engineering	Prepare and recommend	Participate	Participate	Prepare and recommend	Participate	None
Proprietary Materials	Prepare	Review and recommend	Approve	Prepare	Approve	None
Soils Engineering and Structure Foundation Investigation Report	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Pavement Justification Report	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Bridge Calculations	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Traffic Signal Warrants	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Hydraulic Report	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Justification for Contract Time	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Traffic Management Plan	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Bridge Scour Report	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
Basis of Design Report	Prepare	Review and approve	Review (Optional)	Prepare	Approve	None
PS&E Approval	Prepare	Review and approve	Approve	Prepare	Approve	None
Unusual Bridge Projects	Prepare	Review and approve	Approve	Prepare	Review	None
Permits – Section 404, SMA, etc.	Prepare and obtain approval	Review and approve	Review	Prepare and obtain approval	Review	None
Concurrence on Contract Award	Prepare	Review and approve	Concur	Prepare	Concur	None
Project Assessment Report	Prepare and approve	Review and approve	None	Prepare and approve	None	None

MONITORING

DESIGN:

- 1) Design monitoring of all Federal-aid projects will be accomplished by the FHWA through the project-by-project monitoring of eligibility determinations and environmental document approvals.
- 2) Design monitoring of all Federal-aid projects will be through either periodic project status meetings (monthly status reports and/or quarterly over-the-shoulder reviews).

SECTION 4.6 - CONSTRUCTION

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 –United States Code (U.S.C.) Highways and non-Title 23 U.S.C. requirements
- Title 23 - Code of Federal Regulations (CFR)
- 49 USC
- Highways Division Procedures Manual Volume 10 – Construction
- Hawaii Standard Specifications for Road, Bridge, and Public Works Construction ("Standard Specifications")
- Hawaii Revised Statutes (HRS)
- Administrative Rules, Title 19, Highways Division

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
None				

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Contract Award	Prepare	Concur	Prepare	Information
Form FHWA-45	Prepare	Need/Require	Prepare	Need/Require
Contract Execution	Prepare	Information	Prepare	
Preconstruction Meeting	Lead/Conduct	Information	Lead/Conduct	
Notice to Proceed	Prepare	Information	Prepare	Information

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Value Engineering Cost Proposals	Evaluate & Approve	Evaluate & Approve	Evaluate & Approve	Information
Contract Change Orders	Prepare	Approve	Prepare & Approve	
Time Extensions	Prepare	Approve	Prepare & Approve	
Work Suspensions	Prepare	Concur	Prepare	
Contract Termination	Prepare	Concur	Prepare	Concur
Contract Amendments	Prepare	Approve	Prepare	
Claims	Evaluate & Recommend	Evaluate & Concur	Evaluate & Recommend	Evaluate & Concur
Form FHWA-1391	Prepare	Need/Require	Prepare	Need/Require
Form FHWA-1392	Prepare	Need/Require	Prepare	Need/Require
Prefinal Inspection	Lead/Conduct	Information	Lead/Conduct	Information
Final Inspection	Lead/Conduct	Approve	Lead/Conduct	Information
Acceptance Letter	Prepare	Need/Require	Prepare	Need/Require
Material Certification	Prepare	Need/Require	Prepare	Need/Require
Form FHWA-47	Prepare	Need/Require	Prepare	Need/Require

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Contract Award	Prepare	Recommend	Concur	Prepare	Concur	Information
Form FHWA-45	Prepare	Process	Need/Require	Prepare	Need/Require	Need/Require
Contract Execution	Prepare	Information	Information	Prepare	Information	
Preconstruction Meeting	Lead/Conduct	Information	Information	Lead/Conduct	Information	
Notice to Proceed	Prepare	Information	Information	Prepare	Information	Information
Value Engineering Cost Proposals	Evaluate & Approve	Evaluate & Recommend	Evaluate & Approve	Evaluate & Approve	Evaluate & Approve	Information
Contract Change Orders	Prepare	Recommend	Approve	Prepare	Approve	
Time Extensions	Prepare	Recommend	Approve	Prepare	Approve	
Work Suspensions	Prepare	Recommend	Concur	Prepare	Concur	
Contract Termination	Prepare	Recommend	Concur	Prepare	Recommend	Concur
Contract Amendments	Prepare	Recommend	Approve	Prepare	Approve	
Claims	Evaluate & Recommend	Evaluate & Recommend	Evaluate & Concur	Evaluate & Recommend	Evaluate & Concur	Evaluate & Concur
Form FHWA-1391	Prepare	Process	Need/Require	Prepare	Process	Need/Require
Form FHWA-1392	Prepare	Process	Need/Require	Prepare	Process	Need/Require
Prefinal Inspection	Lead/Conduct	Information	Information	Lead/Conduct	Information	Information

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Final Inspection	Lead/Conduct	Recommend	Approve	Lead/Conduct	Approve	Information
Acceptance Letter	Prepare	Process	Need/Require	Prepare	Process	Need/Require
Material Certification	Prepare	Process	Need/Require	Prepare	Process	Need/Require
Form FHWA-47	Prepare	Process	Need/Require	Prepare	Process	Need/Require

MONITORING

FHWA in conjunction with the HDOT will do construction documentation reviews and construction site inspections including prefinal and final inspections on a statewide sampling basis.

SECTION 4.7 - MAINTENANCE

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 –United States Code (U.S.C.) Part 116

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Routine Maintenance of Federal-aid highways.	Adequately maintain highways.	Adequately maintain highways.	Conduct windshield and in-depth inspections.	Division will provide all findings to appropriate HIDOT personnel.

SECTION 4.8 - MATERIALS

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 CFR Section 637 – Construction Inspection and Approval for all Federal-aid projects on the National Highway System (NHS)

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Materials Acceptance Program <ul style="list-style-type: none"> • Sampling and Testing Frequency Guide 		Develop, update and implement	Approve	
Qualified Technician Program (includes Field Sampling and Testing Personnel)		Develop, update and implement	Approve	
Qualified Laboratory Program		Develop, update and implement	Approve	
Independent Assurance Program (System based)		Develop, update and implement	Approve	
Independent Assurance Program (System based)		Prepare annual report	Review, comment, recommend	
Materials Certification Program		Develop and update	Approve	
Materials Certification Program		Submit Letter of Certification		
AASHTO Accreditation		Maintain Accreditation	Review, comment (as necessary)	

MONITORING

FHWA will review and approve HDOT's Materials Quality Assurance Program on an on-going basis. The Materials Quality Assurance Program includes the Materials Acceptance Program, Qualified Technician Program, Qualified Laboratory Program, Independent Assurance Program, Materials Certification Program, and AASHTO Accreditation.

In general, FHWA will monitor the implementation and effectiveness of the Materials Quality Assurance Program through Process reviews.

SECTION - 4.9 STRUCTURES

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 CFR Part 650 – Bridges, Structures, and Hydraulics
 - Subpart B – Erosion and Sediment Control on Highway Construction Projects
 - Subpart C – National Bridge Inspection Standards
 - Subpart D – Highway Bridge Replacement and Rehabilitation Program
- 23 USC 144, Highway Bridge Replacement and Rehabilitation Program
- 23 USC 151, National Bridge Inspection Program
- 23 USC 116(d), Preventive Maintenance
- FHWA Hawaii Division and Hawaii Department of Transportation, Bridge Preservation Program Guidelines, January 2005
- Hawaii Department of Transportation, Bridge Inspection Program (To be developed)
- FHWA Hydraulic Engineer Circulars #18, #20, and #23

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Bridge Inspection Program (State)		Conduct inspections. Update inventory and send data to FHWA annually.	Conduct annual review of each district and prepare report. Process data, furnish error listing and resolve differences.	
Bridge Inspection Program (Counties)	Conduct inspections.	Monitor NBIS compliance and maintain inventory. Conduct annual review of each County with FHWA.	Conduct annual review of each County and prepare report.	
Bridge Replacement & Rehabilitation Program (HBRRP) (State)		Select, design and construct projects. Furnish unit cost data to FHWA annually.	Review full federal oversight projects and resolve eligibility concerns. Review unit cost data.	

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Bridge Replacement & Rehabilitation Program (HBRRP) (Counties)	Select, design and construct projects.	Review all County HBRRP projects.	Review full federal oversight projects and resolve eligibility concerns.	
Bridge Preservation Program		Select, design and construct projects. Prepare prioritized list of preventive maintenance (PM) projects using BMS for annual submittal to FHWA for approval. Update NBI and element level inspection data after PM work completed.	Review and approve projects meeting eligibility requirements.	
National Bridge Scour Evaluation Program (NBSE) (State)		Conduct annual inspections and update NBSE inventory. Prepare Plan of Action *	Conduct annual review of each District.	* Consultant to prepare Plan of Action, scheduled for FY07-09.
National Bridge Scour Evaluation Program (NBSE) (Counties)	Conduct inspections; update NBSE inventory and prepare Plan of Action	Conduct annual review. Monitor NBSE of each County.	Conduct annual review of each County.	

MONITORING

- FHWA will perform an annual review, supplemented by other special reviews of specific program elements as appropriate, to evaluate State and each County's compliance with the National Bridge Inspection Standards (NBIS).
- The selection of State bridges for replacement, rehabilitation or preventive maintenance activities will be reviewed by FHWA and HDOT prior to programming.
- The selection of each County's bridges for replacement or rehabilitation will be reviewed by FHWA and HDOT prior to programming.
- FHWA and HDOT will perform an annual review to evaluate each County's compliance with the National Bridge Scour Evaluation Program (NBSE).

SECTION 4.10 - SAFETY

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 USC 130 - Railway-Highway Crossing Program
- 23 USC 152 - Hazard Elimination Program (replaced by 23 USC 148)
- 23 CFR 924 - Highway Safety Improvement Program (elevated to core program; 23 USC 148)
- 23 USC 148 - HSIP, High-Risk Rural Roads Program (HRRR), Strategic Highway Safety Plan (SHSP)

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
HSIP Report (Highway Safety Improvement Program)	N/A	Prepare program report, and recommend	Review and comment	Record document
Annual HSIP Evaluation Report 23 USC 152 and 23 USC 130	N/A	Prepare annual report, and recommend	Review and comment on annual report	Record document
5 Percent Report	N/A	Prepare annual report, and recommend	Receive	Posted on USDOT web site
Strategic Highway Safety Plan (SHSP)	N/A	Develop and approve, and recommend	Acceptance	Approved document
High-Risk Rural Roads Program (HRRR)	N/A	Prepare annual report, and recommend	Review and comment on annual report	Record document

PROJECT APPROVAL ACTIONS

Project Activity	Full Federal Oversight			State Administered	
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action
See Monitoring Below					

MONITORING

Individual project related approval actions are included in the Design and Construction sections of this plan. HDOT will evaluate and submit an annual HSIP report and evaluation by August 31 of each year.

SECTION 4.11 TRAFFIC ENGINEERING AND INTELLIGENT TRANSPORTATION SYSTEMS

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 CFR Part 630, Subpart J –Work Zone Safety and Mobility
- 23 CFR Part 655 – Traffic Operations
- 23 CFR Part 940 – Intelligent Transportation System (ITS) Architecture and Standards
- Manual on Uniform Traffic Control Devices (MUTCD)
- National ITS Architecture and Standards
- National ITS Program Plan
- Regional ITS Architectures
- Work Zone Safety and Mobility Policy, Processes and Procedures (to be developed)
- FHWA Policy Memorandum: Program Guidance on High Occupancy Vehicle (HOV) Lanes, March 28, 2001
- Hawaii Administrative Rules, Title 19, Subtitle 5, Chapter 128 Design, Placement, and Maintenance of Traffic Control Devices
- Hawaii Administrative Rules, Title 19, Subtitle 5, Chapter 129 Use of Traffic Control Devices at Work Sites on or Adjacent to Public Streets and Highways

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Update of ITS Regional Architecture		Prepare and submit	Approve	
NCHRP 350 Compliance		Prepare and submit acceptance letter	Approve	
Adoption of latest MUTCD		Prepare and submit letter	No action	
MUTCD Interim Approval		Prepare and submit request letter	Approve	
Use of Proprietary Traffic Products		Prepare and submit	Review and approve	

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Update of Work Zone and Mobility Policy, Processes, and Procedures		Prepare and submit	Approve	
Work Zone Review		Conduct biennial review and submit results to FHWA	Review and approve	

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
MUTCD Experimentation	Prepare and submit request letter and work plan	Approve		
HOV Lane (Significant Operational Changes)	Prepare and submit report	No Action or Approve		
Project Level ITS Architecture	Prepare and submit	Approve		
ITS Operational Work Plan	Prepare and submit	Approve		
System Engineering Analysis	Prepare and submit report	Approve		

MONITORING

- DESIGN:
- 1) Design monitoring of all Federal-aid projects will be accomplished by the FHWA through the project-by-project monitoring of eligibility determinations and environmental document approvals.
 - 2) Design monitoring of all Federal-aid projects will be through either periodic project status meetings (monthly status reports and/or quarterly over-the-shoulder reviews).

SECTION 4.12 - FINANCIAL MANAGEMENT AND ACCOUNTING

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title 23 USC 302 State Transportation Department
- Title 23 CFR Section 1.36 – Compliance with federal laws and regulations
- Title 49 CFR Part 18 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments [Office of Management and Budget (OMB) Circular A-102]
- Title 23 CFR Section 630.106 – Authorization to Proceed and Project Monitoring
- OMB Circular A-87 – Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-123 – Management's Responsibility for Internal Control
- OMB Circular A-133 – Audits of States, Local Governments, and Non-Profit Organizations
- Hawaii Revised Statutes
- Session Laws of Hawaii, Regular and Special Sessions
- State of Hawaii Accounting Manual
- Financial Accounting and Management Information System (FAMIS) Procedures Manual
- Departmental Staff Manual (DSM)
- Department of Transportation, Highways Division Procedures Manual

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Inactive Projects Review, 23 CFR 630	Not Apply	Review inactive projects; prepare Form 1240.2 as required	Monitor activity; implement actions required under 23 CFR 1.36	
Implement quality program/internal audit program	Participate in State's Program	Review operations for economy and efficiency	Participate in State's program	
Inactive Projects Review, 23 CFR 630	Not Apply	Review inactive projects; prepare Form 1240.2 as required	Monitor Highways Division activity; implement actions required under 23 CFR 1.36	
Implement quality program/internal audit program	Participate in State's Program	Review operations for economy and efficiency	Participate in State's program	

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Inactive Projects Review, 23 CFR 630	Not Apply	Review inactive projects; prepare Form 1240.2 as required	Monitor activity; implement actions required under 23 CFR 1.36	
Implement quality program/internal audit program	Participate in State's Program	Review operations for economy and efficiency	Participate in State's program	
Inactive Projects Review, 23 CFR 630	Not Apply	Review inactive projects; prepare Form 1240.2 as required	Monitor Highways Division activity; implement actions required under 23 CFR 1.36	

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Form 1240.2, Project agreement, authorization, modification, processing	Prepare Engineer's Estimate; forward to HWY-SM. Prepare Form 1240.2; enter into FMIS	Prepare Form 1240.2; enter into FMIS	Prepare Engineer's Estimate; forward to HWY-SM. Prepare Form 1240.2; enter into FMIS	Prepare Form 1240.2; enter into FMIS
State reimbursement – Rapid Approval & State Payment System (RASPS)	Upload HWYAC to RASPS; notify FHWA. Perform twice a month.	Approve RASPS. Perform Improper Payments Review	Upload HWYAC to RASPS; notify FHWA. Perform twice a month.	Approve RASPS. Perform Improper Payments Review
Project closing; Final Voucher (PR20) or equivalent	Reconcile actual costs to HWYAC, FMIS. Verify required documents available; prepare and process final voucher.	Approve final voucher; close project in FMIS	Reconcile actual costs to HWYAC, FMIS. Verify required documents available; prepare and process final voucher.	Approve final voucher; close project in FMIS

PROJECT APPROVAL ACTIONS – County and Other Local Agency Projects

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Form 1240.2, Project agreement, authorization, modification , processing	Prepare Engineer's Estimate; forward to HWY-SM; enter into FMIS	Perform subgrantee monitoring; Prepare Form 1240.2; enter into FMIS	Approve FMIS Entry	Prepare Engineer's Estimate; forward to HWY-SM; enter into FMIS	Perform subgrantee monitoring; Prepare Form 1240.2; enter into FMIS	Approve FMIS Entry
State reimbursement – Rapid Approval & State Payment System (RASPS)	Prepare reimbursement request forms to HWY-SF	Perform subgrantee monitoring; enter Counties requests into HWYAC; upload HWYAC to RASPS; notify FHWA. Perform twice a month.	Approve RASPS. Perform Improper Payments Review	Prepare reimbursement request forms to HWY-SF	Perform subgrantee monitoring; enter Counties requests into HWYAC; upload HWYAC to RASPS; notify FHWA. Perform twice a month.	Approve RASPS. Perform Improper Payments Review

Project Activity	Full Federal Oversight			State Administered		
	Local Agency Action	HDOT Action	FHWA Action	Local Agency Action	HDOT Action	FHWA Action
Project closing; Final Voucher (PR20) or equivalent	Prepare final project accounting and submit to HWY-SF	Perform subgrantee monitoring; Reconcile actual costs to HWYAC, FMIS. Verify required documents available; prepare and process final voucher.	Approve final voucher; close project in FMIS	Prepare final project accounting and submit to HWY-SF	Reconcile actual costs to HWYAC, FMIS. Verify required documents available; prepare and process final voucher.	Approve final voucher; close project in FMIS

MONITORING

FHWA provides guidance and financial management technical assistance to alleviate issues and concerns in the administration of the federal-aid program through daily contact with HDOT personnel. The FHWA will continue to monitor or perform all financial management activities including:

1. risk assessment;
2. financial management review;
3. improper payments review;
4. inactive federal-aid project review;
5. administrative reviews;
6. single audit review, including sub-grantee reviews.

SECTION 4.13 - RESEARCH AND TECHNOLOGY TRANSFER

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- 23 USC 307 –
- 23 CFR Part 420 – Planning and Research Program Administration
- 23 USC Part 501-508
- FHWA Transportation Pooled Fund Program Procedures (<http://www.fhrc.gov/site/procedures.pdf>)
- FHWA Policy Memo of 11/3/1994 – “State Planning and Research Administration; Guidelines”
- FHWA Policy Memo of 1/16/1997 – “Use of State Planning and Research (SPR) Funds for Tech Certification Program Course Development”
- FHWA Policy Memo of 1/26/2001 – “FHWA Development and Coordination of the Research and Technology Program”
- FHWA Order of 9/19/2001 – “Processing Research Projects Under TEA-21 Section 5001”
- HDOT Research, Development & Technology Transfer Program Manual, December 2004
- FHWA Guidelines for Projects Using Experimental Features
- A Guide to Federal-Aid Programs and Projects, FHWA-IF-99-006, Local Technical Assistance Program (LTAP) [formerly: Rural Technical Assistance Program (RTAP)]
- LTAP Handbook
- Administration of FHWA Planning and Research Funds, FHWA-PD-98-053
- LTAP Handbook
- 49 CFR 18
- Guidance on Use of FHWA Planning and Research Funds for Travel and Training
- FHWA, State DOT, and MPO Rights to Copyrighted and Patented Items Developed with FHWA Planning and Research Funds
- Procurement Rules; Chapter 103D, HRS
- Departmental Staff Manual
- Administrative Rules
- HDOT Research, Development & Technology Transfer Program Manual, December 2004
- Procurement Rules; Chapter 103D, HRS
- Departmental Staff Manual
- Administrative Rules
- HDOT Research, Development & Technology Transfer Program Manual, December 2004

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Peer Exchange		Sponsor event or participate in other States' peer exchange	Participate and support	
Draft SRP Part II Research Work Program (Annual work plan & budget)		Prepare draft work plan & budget. (Submit by the third Monday in June of each year.)	Review and approve	FHWA, HWY-S, and HWY-L meet to discuss draft in mid-July of each year. FHWA approve as revised during the discussions.
Final SRP Program (Annual work plan & budget)		Prepare and submit	Review and Approve	September 31 of each year.
SPR Work Program Amendments to Annual work plan & budget		Prepare and submit	Review and approve.	
HDOT Research Manual		Prepare, revise and submit	Review and approve	
Certification of SPR Program		Prepare	Review and Approve	Certified compliance with 23 CFR 420.
LTAP Draft Work Plan	1. Participate in the development of the work plan. 2. Request workshops. 3. Prioritize workshops.	Participate on the LTAP Advisory Board. Review and approve.	Participate on the LTAP Advisory Board, Review, and approve	Due no later than April 30 of each year.
LTAP Final Work Plan		Review and approve	Review and approve	Due no later than June 01 of each year.

PROJECT APPROVAL ACTIONS – HDOT PROJECTS

Project Activity	Full Federal Oversight		State Administered	
	HDOT Action	FHWA Action	HDOT Action	FHWA Action
Individual Research Project Work Plan – (Projects that conduct the research)	Obtains work plan and budget from project manager. Submit and approve.	Review and comment	None	None

MONITORING

SPR

FHWA exercises its oversight responsibilities through review of the annual program prior to approval actions, review of SPR Work Program amendments prior to approval, and ongoing participation of its technical specialists in pooled fund study technical panels. As appropriate, FHWA personnel participate in peer exchange reviews.

The FHWA Division Research and Technology Engineer oversee the administrative aspects and coordinates with the Division Office specialists for technical aspects.

FHWA reviews and approves an updated version of the manual when there are significant changes in the management process or new Federal regulation/policy are enacted.

LTAP

FHWA & HDOT exercises their oversight responsibilities through review of the annual work plan prior to approval actions, review of work plan amendments prior to approval, participation in the Advisory Board, and participation or planning of various LTAP-related activities.

SECTION 4.14 - CIVIL RIGHTS

APPLICABLE LAWS, REGULATIONS, POLICIES AND PROCEDURES

- Title VI Program: Title VI of the Civil Rights Act of 1964, Executive Order 12898 (Environmental Justice in Minority & Low Income Populations).
- DBE Program: U.S. Department of Transportation, Title 49, Code of Federal Regulations, Part 26
- ADA Program: Americans with Disabilities Act of 1990, Title II; Section 504 of the Rehabilitation Act of 1973.
- EEO Program: Title VI of the Civil Rights Act of 1964; Title I of the Americans with Disabilities Act of 1990.
- Other related Civil Rights laws, rules and regulations.

PROGRAM APPROVAL ACTIONS

Program Activity	Local Agency Action	HDOT Action	FHWA Action	Notes
Title VI Annual Report and Work Plan	Prepare & submit Title VI activities to HDOT	Review/Approve Prepare	Approve	
DBE Annual Participation Goal		Develop Goal		Goal on August 1 of each year
Uniform Report of DBE Awards or Commitments and Payments Report		Prepare		June 1 and December 1
EEO Affirmative Action Plan		Prepare upon request by FHWA		

MONITORING

Monitoring will include: reviewing of reports and program updates prepared by HDOT; analyzing such reports and updates to help identify trends, providing feedback and recommendations to HDOT; and participating, as appropriate, in HDOT task forces pertaining to civil rights initiatives. Additional monitoring activities include: review and recommendations to the counties regarding Title VI.

SECTION 4.15 - RISK MANAGEMENT

MONITORING

FHWA will employ a risk assessment process in consultation with HDOT to review and evaluate program areas that endeavor to balance risk with consideration of limited staffing resources, funding, and highway needs within the state. It will be the function of the Management Team to mutually endorse the results, agree to the recommendations, identify the necessary resources needed, and make resources available, either through administrative or legislative action, as soon as practical to address the recommendations from the program/process evaluations. The formal Risk Assessment will take place every two years (the odd number years). The Management Team will review the Risk Assessment every year to confirm its applicability.

SECTION 5 – GLOSSARY

Control Document – Applicable standards, policies and standard specifications that are acceptable to FHWA for application in the geometric and structural design of highways.

Core Functions – Activities that make up the main elements of the Division's Federal-aid oversight responsibilities based on regulations and national policies. Core functions in the Division Office are Planning, Environment, Right-of-Way, Design, Construction, Finance, Operations, System Preservation, Safety and Civil Rights.

Delegated Projects – Projects that do not require FHWA review and approve actions pertaining to design, plans, specifications, estimates, right-of-way certification statements, contract awards, inspections and final acceptance of Federal-aid projects on a project by project basis.

Full Oversight Projects - Projects that require FHWA to review and approve actions pertaining to design, plans, specifications, estimates, right-of-way certification statements, contract awards, inspections and final acceptance of Federal-aid projects on a project by project basis.

Major Projects – Projects with an estimated total cost greater than \$500 million, or projects approaching \$500 million with a high level of interest by the public, Congress, or the Administration.

Oversight – The act of ensuring that the Federal highway program is delivered consistent with laws, regulations and policies.

Performance/Compliance Indicators – These indicators track performance trends, health of the Federal-aid Highway Program and compliance with Federal requirements.

Risk Management – The systematic identification, assessment, planning and management of threats and opportunities faced by FHWA projects and programs.

Stewardship – The efficient and effective management of the public funds that have been entrusted to the FHWA.

SECTION 6 – ACRONYMS

Laws and Regulations

C.F.R.	Code of Federal Regulations
FAPG	Federal-Aid Policy Guide, December 9, 1991
HRS	Hawaii Revised Statutes
U.S.C.	United States Code
ISTEA	Intermodal Surface Transportation Efficient Act of 1991, Public Law 102-240, December 18, 1991
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users of 2005, Public Law 105-59, August 10, 2005
TEA-21	Transportation Equity Act for the 21 st Century of 1998, Public Law 105-18, June 9, 1998
23 U.S.C.	Title 23 United States Code -- Highways
23 C.F.R.	Title 23, CFR – Highways
42 U.S.C.	Title 42 (The Public Health and Welfare), Chapter 51 (Uniform Relocation
URA	The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, 84 Stat. 1894-1907, 91 st Congress, S.1, January 2, 1971, as amended
49 U.S.C.	Title 49, United States Code – Transportation
49 C.F.R.	Title 49, Code of Federal Regulations – Transportation

Plans, Programs, Projects and Systems

ADA	American with Disabilities Act
BMS	Bridge Management System
CMAQ	Congestion Mitigation and Air Quality Improvement Program
CPI	Continuous Process Improvement
DBE	Disadvantage Business Enterprise
EEO	Equal Employment Opportunity
FA	Federal-Aid
FAHP	Federal-Aid Highway Program
FMIS	Fiscal Management Information System
HBRRP	Highway Bridge Replacement and Rehabilitation Program
HPMS	Highway Performance Monitoring System
HPPP	High Priority Projects Program
IM	Interstate Maintenance Program
IS	Interstate System
LRTP	Long-Range Transportation Plan
NHS	National Highway System
Non-NHS	Non-NHS

NBI	National Bridge Inspection
NBIS	National Bridge Inspection Standards
NBSE	National Bridge Scour Evaluation, National Bridge Scour Evaluation Program
OFW	Official Work Program
ORTP	Oahu Regional Transportation Plan
PM	Preventive Maintenance
PR/PE	Process Review/Product Evaluation
ROW	Right-of-Way
SPR	Statewide Planning & Research Program
STIP	Statewide Transportation Improvement Program
STP	Surface Transportation Program; <u>or</u> Statewide Transportation Plan
TIP	Transportation Improvement Program
TMA	Transportation Management Areas
TTP	Transportation Planning Program